

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company
<b>TOI/Sub-TOI:</b>	L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life		
<b>Product Name:</b>	IFL-12, etc.		
<b>Project Name/Number:</b>	IFL-12, etc./IFL-12, etc.		

## Filing at a Glance

Company:	Penn Mutual Life Insurance Company
Product Name:	IFL-12, etc.
State:	Arkansas
TOI:	L09I Individual Life - Flexible Premium Adjustable Life
Sub-TOI:	L09I.001 Single Life
Filing Type:	Form
Date Submitted:	06/29/2012
SERFF Tr Num:	PNMU-128516500
SERFF Status:	Closed-Approved-Closed
State Tr Num:	
State Status:	Approved-Closed
Co Tr Num:	IFL-12, ETC.
Implementation	On Approval
Date Requested:	
Author(s):	Nancy Yannuzzi, Rita Bellew
Reviewer(s):	Linda Bird (primary)
Disposition Date:	08/16/2012
Disposition Status:	Approved-Closed
Implementation Date:	
State Filing Description:	

**State:** Arkansas **Filing Company:** Penn Mutual Life Insurance Company  
**TOI/Sub-TOI:** L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
**Product Name:** IFL-12, etc.  
**Project Name/Number:** IFL-12, etc./IFL-12, etc.

## General Information

Project Name: IFL-12, etc.	Status of Filing in Domicile: Pending
Project Number: IFL-12, etc.	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Individual
Submission Type: New Submission	Individual Market Type:
Overall Rate Impact:	Filing Status Changed: 08/16/2012
	State Status Changed: 08/16/2012
Deemer Date:	Created By: Rita Bellew
Submitted By: Rita Bellew	Corresponding Filing Tracking Number: IFL-12, etc.

### Filing Description:

The Penn Mutual Life Insurance Company is submitting the following forms for your review and approval:

#### Form / Title / Form Replaced

IFL-12 / Flexible Premium Adjustable Indexed Life Insurance / None  
 OPB-12 / Rider – Overloan Protection Benefit / None  
 CTI -12 / Rider – Children’s Term Insurance / None  
 SBE -12 / Rider – Surrender Benefit Enhancement / None  
 WSC-12 / Rider – Waiver of Surrender Charge / None  
 STI -12 / Rider – Supplemental Term Insurance / None  
 ADB-12 / Rider – Accidental Death Benefit / None  
 WSP-12 / Rider – Disability Waiver of Stipulated Premium / None  
 WMD-12 / Rider – Disability Waiver of Monthly Deductions / None  
 SE-12 / Rider – Supplemental Exchange / None  
 AITI-12 / Rider – Additional Insured Term Insurance / None  
 GIO-12 / Rider – Guaranteed Increase Option / None  
 ROP-12 / Rider – Return of Premium Term Insurance / None  
 ACDB-12 / Rider – Accelerated Death Benefit for Terminal Condition/ None  
 PM1143GEN / Life Application / None  
 PM1146 GEN / Temporary Insurance Agreement / None

Form IFL -12 is a flexible premium adjustable indexed life insurance policy. This policy will be issued on a sex distinct basis and also on a unisex basis in situations where the Norris decision is applicable.

Form OPB-12 is a rider that will prevent the policy from lapsing when the policy debt on the policy exceeds or equals the amount as described in the Overloan Protection Benefit provision of the form.

Form SBE -12 is a rider that provides an enhanced surrender benefit upon full surrender of the policy. The rider is available for policies in support of a corporate sponsored plan. This rider can only be added at the time of issue.

Form WSC-12 is a rider that provides an enhanced surrender benefit upon full surrender of the policy. The rider is available for policies in support of a corporate sponsored plan. This rider can only be added at the time of issue.

Form STI-12 is a rider that provides supplemental term insurance. This rider can only be added at time of issue.

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Form CTI -12 is a rider that provides term insurance to a dependent child of the insured. The rider also allows the insured child to convert term insurance into a new policy without evidence of insurability upon their 23rd birthday.

Form ADB-12 is a rider that provides a death benefit in the event of an accidental death of the insured that meets the due proof required in the Accidental Death Benefit provision in the rider form.

Form WSP-12 is a rider that provides for a waiver of monthly deductions and payment by the Company of a stipulated premium upon disability of the insured.

Form WMD-12 is a rider that provides for a waiver of monthly deductions from the value of the policy value upon disability of the insured.

Form SE-12 is a rider that provides that within one year following termination of a business relationship, which existed between the owner of the policy and the insured at the time the policy was issued, the policy may be exchanged for a new policy on the life of a new insured subject to the conditions set forth in the rider.

Form AITI-12 is a rider that extends life insurance protection to family members without having to purchase an additional policy.

Form GIO-12 is a rider that provides the owner of the policy with the option to increase the specified amount of insurance in the policy without providing evidence of insurability.

Forms ROP -12 is a rider that provides a death benefit equal to the sum of all premiums paid into the policy up to the most recent monthly anniversary.

Form ACDB-12 is a rider that provides prepayment of a portion of the death benefit based on a noncorrectable terminal condition resulting in the Insured's remaining life expectancy to be twelve months or less.

Additionally this filing contains an Application and a Temporary Insurance Agreement, forms PM1143GEN and PM1146GEN , respectively. When approved this is the application and temporary insurance agreement that will be used to apply for, and in conjunction with the above referenced policy forms.

## Company and Contact

### Filing Contact Information

Rita Bellew, State Filing Coordinator	bellew.rita@pennmutual.com
VIM C3G	215-956-8290 [Phone]
Philadelphia, PA 19172	215-956-8145 [FAX]

### Filing Company Information

Penn Mutual Life Insurance Company	CoCode: 67644	State of Domicile:
VIM C3G	Group Code: 850	Pennsylvania
Philadelphia, PA 19172	Group Name: Penn Mutual Life Ins. Co.	Company Type: Life Insurance and Annuity
(215) 956-8893 ext. [Phone]	FEIN Number: 23-0952300	State ID Number:

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**State:** Arkansas **Filing Company:** Penn Mutual Life Insurance Company  
**TOI/Sub-TOI:** L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
**Product Name:** IFL-12, etc.  
**Project Name/Number:** IFL-12, etc./IFL-12, etc.

## Filing Fees

Fee Required? Yes  
Fee Amount: \$50.00  
Retaliatory? No  
Fee Explanation: 50.00 X1 Company = 50.00  
Per Company: No

Company	Amount	Date Processed	Transaction #
Penn Mutual Life Insurance Company	\$50.00	06/29/2012	60580998
Penn Mutual Life Insurance Company	\$750.00	07/06/2012	60691295

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company
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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	08/16/2012	08/16/2012

### Objection Letters and Response Letters

#### Objection Letters

Status	Created By	Created On	Date Submitted
Pending Industry Response	Linda Bird	08/13/2012	08/13/2012
Pending Industry Response	Linda Bird	07/09/2012	07/09/2012
Pending Industry Response	Linda Bird	07/05/2012	07/05/2012

#### Response Letters

Responded By	Created On	Date Submitted
Rita Bellew	08/16/2012	08/16/2012
Rita Bellew	08/06/2012	08/09/2012
Rita Bellew	07/06/2012	07/06/2012

<b>SERFF Tracking #:</b>	PNMU-128516500	<b>State Tracking #:</b>		<b>Company Tracking #:</b>	IFL-12, ETC.
<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company		
<b>TOI/Sub-TOI:</b>	L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life				
<b>Product Name:</b>	IFL-12, etc.				
<b>Project Name/Number:</b>	IFL-12, etc./IFL-12, etc.				

## Disposition

Disposition Date: 08/16/2012

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

**State:** Arkansas **Filing Company:** Penn Mutual Life Insurance Company  
**TOI/Sub-TOI:** L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
**Product Name:** IFL-12, etc.  
**Project Name/Number:** IFL-12, etc./IFL-12, etc.

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		No
Supporting Document	Statement of Variability		Yes
Supporting Document	Actuarial Memorandums		No
Supporting Document	Certifications		Yes
Form (revised)	Flexible Premium Adjustable Indexed Life Insurance		Yes
Form	Flexible Premium Adjustable Indexed Life Insurance	Replaced	Yes
Form	Flexible Premium Adjustable Indexed Life Insurance	Replaced	Yes
Form	Rider – Overloan Protection Benefit		Yes
Form (revised)	Rider – Children’s Term Insurance		Yes
Form	Rider – Children’s Term Insurance	Replaced	Yes
Form	Rider – Children’s Term Insurance	Replaced	Yes
Form	Rider – Surrender Benefit Enhancement		Yes
Form	Rider – Waiver of Surrender Charge		Yes
Form (revised)	Rider – Supplemental Term Insurance		Yes
Form	Rider – Supplemental Term Insurance	Replaced	Yes
Form	Rider – Supplemental Term Insurance	Replaced	Yes
Form	Rider – Accidental Death Benefit		Yes
Form	Rider – Disability Waiver of Stipulated Premium		Yes
Form	Rider – Disability Waiver of Monthly Deductions		Yes
Form	Rider – Supplemental Exchange		Yes

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company
<b>TOI/Sub-TOI:</b>	L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life		
<b>Product Name:</b>	IFL-12, etc.		
<b>Project Name/Number:</b>	IFL-12, etc./IFL-12, etc.		

Schedule	Schedule Item	Schedule Item Status	Public Access
Form (revised)	Rider – Additional Insured Term Insurance		Yes
Form	Rider – Additional Insured Term Insurance	Replaced	Yes
Form	Rider – Additional Insured Term Insurance	Replaced	Yes
Form (revised)	Rider – Guaranteed Increase Option		Yes
Form	Rider – Guaranteed Increase Option	Replaced	Yes
Form (revised)	Rider – Return of Premium Term Insurance		Yes
Form	Rider – Return of Premium Term Insurance	Replaced	Yes
Form (revised)	Rider – Accelerated Death Benefit for Terminal Condition		Yes
Form	Rider – Accelerated Death Benefit for Terminal Condition	Replaced	Yes
Form	Life Application		Yes
Form	Temporary Insurance Agreement		Yes



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**State:** Arkansas **Filing Company:** Penn Mutual Life Insurance Company  
**TOI/Sub-TOI:** L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
**Product Name:** IFL-12, etc.  
**Project Name/Number:** IFL-12, etc./IFL-12, etc.

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## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	08/13/2012
Submitted Date	08/13/2012
Respond By Date	09/13/2012

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Dear Rita Bellew,

**Introduction:**

*This will acknowledge receipt of the captioned filing.*

**Objection 1**

*Comments:*

*Thank you for your response dated 08/06/12. The last paragraph of the Suicide Exclusion provision has not been deleted. After the incontestable period expiration you may not restart upon reinstatement.*

**Conclusion:**

*A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.*

*Please feel free to contact me if you have questions.*

*Sincerely,*

*Linda Bird*

State:	Arkansas	Filing Company:	Penn Mutual Life Insurance Company
TOI/Sub-TOI:	L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life		
Product Name:	IFL-12, etc.		
Project Name/Number:	IFL-12, etc./IFL-12, etc.		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/16/2012
Submitted Date	08/16/2012

Dear Linda Bird,

### Introduction:

Thank you for your letter dated 8-13-12.

### Response 1

#### Comments:

The last paragraph of the Suicide provision has been delted on the following forms:

- IFL-12-AT
- CTI-12-AR
- STI-12-AR
- AITI-12-AR

### Related Objection 1

#### Comments:

Thank you for your response dated 08/06/12. The last paragraph of the Suicide Exclusion provision has not been deleted. After the incontestable period expiration you may not restart upon reinstatement.

### Changed Items:

No Supporting Documents changed.

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company
<b>TOI/Sub-TOI:</b>	L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life		
<b>Product Name:</b>	IFL-12, etc.		
<b>Project Name/Number:</b>	IFL-12, etc./IFL-12, etc.		

Form Schedule Item Changes							
Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12-AR	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-616-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
<i>Previous Version</i>							
1	IFL-12	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-612.pdf	Date Submitted: 08/16/2012 By: Rita Bellew

SERFF Tracking #:

PNMU-128516500

State Tracking #:

Company Tracking #:

IFL-12, ETC.

State:

Arkansas

Filing Company:

Penn Mutual Life Insurance Company

TOI/Sub-TOI:

L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life

Product Name:

IFL-12, etc.

Project Name/Number:

IFL-12, etc./IFL-12, etc.

## Form Schedule Item Changes

Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12-AR	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-616-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
1	IFL-12	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	Policy IFL-12 Non-Compact.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
2	CTI-12-AR	POLA	Rider – Children's Term Insurance	Initial	50.200	CTI-12-AR.pdf	Date Submitted: 08/16/2012 By: Rita Bellew

Previous Version

SERFF Tracking #:

PNMU-128516500

State Tracking #:

Company Tracking #:

IFL-12, ETC.

State:

Arkansas

Filing Company:

Penn Mutual Life Insurance Company

TOI/Sub-TOI:

L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life

Product Name:

IFL-12, etc.

Project Name/Number:

IFL-12, etc./IFL-12, etc.

## Form Schedule Item Changes

Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12-AR	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-616-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
2	CTI-12-AR	POLA	Rider – Children's Term Insurance	Initial	50.200	CTI-12-AR.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
2	CTI-12	POLA	Rider – Children's Term Insurance	Initial	50.200	CTI-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
3	STI-12-AR	POLA	Rider – Supplemental Term Insurance	Initial	45.400	STI-12-AR.pdf	Date Submitted: 08/16/2012 By: Rita Bellew

State: Arkansas Filing Company: Penn Mutual Life Insurance Company  
 TOI/Sub-TOI: L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
 Product Name: IFL-12, etc.  
 Project Name/Number: IFL-12, etc./IFL-12, etc.

Form Schedule Item Changes							
Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12-AR	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-616-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
Previous Version							
3	STI-12-AR	POLA	Rider – Supplemental Term Insurance	Initial	45.400	STI-12-AR.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
3	STI-12	POLA	Rider – Supplemental Term Insurance	Initial	45.400	STI-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew

State: Arkansas Filing Company: Penn Mutual Life Insurance Company  
 TOI/Sub-TOI: L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
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 Project Name/Number: IFL-12, etc./IFL-12, etc.

Form Schedule Item Changes							
Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12-AR	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-616-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
4	AITI-12-AR	POLA	Rider – Additional Insured Term Insurance	Initial	50.100	AITI-12-AR.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
Previous Version							
4	AITI-12-AR	POLA	Rider – Additional Insured Term Insurance	Initial	50.100	AITI-12-AR.pdf	Date Submitted: 08/16/2012 By: Rita Bellew

State: Arkansas Filing Company: Penn Mutual Life Insurance Company  
 TOI/Sub-TOI: L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
 Product Name: IFL-12, etc.  
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Form Schedule Item Changes							
Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12-AR	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-616-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew
4	AITI-12	POLA	Rider – Additional Insured Term Insurance	Initial	50.100	AITI-12.pdf	Date Submitted: 08/16/2012 By: Rita Bellew

No Rate/Rule Schedule items changed.

**Conclusion:**

Sincerely,

Rita Bellew  
 Sr. State Filing Coordinator  
 Penn Mutual Life Insurance Company  
 215-956-8290

Sincerely,  
 Rita Bellew



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**State:** Arkansas **Filing Company:** Penn Mutual Life Insurance Company  
**TOI/Sub-TOI:** L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
**Product Name:** IFL-12, etc.  
**Project Name/Number:** IFL-12, etc./IFL-12, etc.

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## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/09/2012
Submitted Date	07/09/2012
Respond By Date	08/09/2012

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Dear Rita Bellew,

**Introduction:**

*This will acknowledge receipt of the captioned filing.*

**Objection 1**

*Comments:*

Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

Regulation 49 requires that a Life and Health guaranty notice be given to each policy owner. Please review your issue procedures and assure us that you are in compliance with Regulation 49.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of the Department.

Please refer to policy Death and Maturity Benefits under the Suicide Exclusion provision. After the incontestable period expiration you may not restart upon reinstatement. Review Ark. Code Ann. 23-81-115(a)(2)(E).

External Indexed contracts are subject to the External Indexed Guidelines. Please furnish certification that this filing is in compliance with these guidelines and certifications required by these guidelines.

**Conclusion:**

A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.

Please feel free to contact me if you have questions.

Sincerely,

Linda Bird

State:	Arkansas	Filing Company:	Penn Mutual Life Insurance Company
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Product Name:	IFL-12, etc.		
Project Name/Number:	IFL-12, etc./IFL-12, etc.		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	08/06/2012
Submitted Date	08/09/2012

Dear Linda Bird,

### Introduction:

Thank you for your letter dated 7-09-12. In addition to our responses listed below, please find that we made a slight revision to Application PM1143GEN on Page 8 – W. 3. so that it now reads as follows:

" Within the past 2 years, has either Proposed Insured engaged in any kind of racing, scuba or sky diving, hang gliding, base jumping, mountain or rock climbing, or big game hunting or does either proposed insured intend to do so? (if Yes, please complete appropriate questionnaire – PM2782, PM2782A or PM1047)"

A revision has also been made to IFL-12-AR on the first specifications page - at the top of the page we added the Department of Insurance contact information for the state in which the policy will be delivered.

### Response 1

#### Comments:

1. Please see that per Ark. Code Ann. 23-79-138, the required information has been added to the back cover of polciy IFL-12-AR.
2. Please be assured that a Life and Health Guaranty Notice, in accordance with Regulation 49, is given to each policy owner.
3. Please find the attached certification per Regulation 19.
4. The policy IFL-12-AR and riders AITI-12-AR, CTI-12-AR, GIO-12-AR, ROP-12-AR, STI-12-AR, and ACDB-12-AR have been revised as follows: The last paragraph of the Incontestability provision has been removed as it contained language allowing restart of the incontestability period upon reinstatement/
5. Please find the attached certifications as required under the Arkansas External Indexed Guidelines. .

### Related Objection 1

<b>SERFF Tracking #:</b>	PNMU-128516500	<b>State Tracking #:</b>		<b>Company Tracking #:</b>	IFL-12, ETC.
<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company		
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**Comments:**

Ark. Code Ann. 23-79-138 requires that certain information accompany every policy. Bulletin 15-2009 further address this issue.

Regulation 49 requires that a Life and Health guaranty notice be given to each policy owner. Please review your issue procedures and assure us that you are in compliance with Regulation 49.

Regulation 19s10B requires that all new or revised filings submitted must contain a certification that the submission meets the provisions of this rule as well as all applicable requirements of the Department.

Please refer to policy Death and Maturity Benefits under the Suicide Exclusion provision. After the incontestable period expiration you may not restart upon reinstatement. Review Ark. Code Ann. 23-81-115(a)(2)(E).

External Indexed contracts are subject to the External Indexed Guidelines. Please furnish certification that this filing is in compliance with these guidelines and certifications required by these guidelines.

**Changed Items:**

Supporting Document Schedule Item Changes
Satisfied -Name: Certifications
Comment: Please find the attahced certification frequired or Regulation 19. Also attached are the required certifications under the Arkansas External Indexed Guidelines.

State: Arkansas Filing Company: Penn Mutual Life Insurance Company  
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Form Schedule Item Changes							
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Previous Version							
1	IFL-12	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	Policy IFL-12 Non-Compact.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
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State: Arkansas Filing Company: Penn Mutual Life Insurance Company  
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Previous Version							

SERFF Tracking #:

PNMU-128516500

State Tracking #:

Company Tracking #:

IFL-12, ETC.

State:

Arkansas

Filing Company:

Penn Mutual Life Insurance Company

TOI/Sub-TOI:

L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life

Product Name:

IFL-12, etc.

Project Name/Number:

IFL-12, etc./IFL-12, etc.

## Form Schedule Item Changes

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3	STI-12	POLA	Rider – Supplemental Term Insurance	Initial	45.400	STI-12.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
4	AITI-12-AR	POLA	Rider – Additional Insured Term Insurance	Initial	50.100	AITI-12-AR.pdf	Date Submitted: 08/09/2012 By: Rita Bellew

Previous Version

State: Arkansas Filing Company: Penn Mutual Life Insurance Company  
 TOI/Sub-TOI: L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
 Product Name: IFL-12, etc.  
 Project Name/Number: IFL-12, etc./IFL-12, etc.

Form Schedule Item Changes							
Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-6-12.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
4	AITI-12	POLA	Rider – Additional Insured Term Insurance	Initial	50.100	AITI-12.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
5	GIO-12-AR	POLA	Rider – Guaranteed Increase Option	Initial	50.200	GIO-12-AR.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
Previous Version							

SERFF Tracking #:

PNMU-128516500

State Tracking #:

Company Tracking #:

IFL-12, ETC.

State:

Arkansas

Filing Company:

Penn Mutual Life Insurance Company

TOI/Sub-TOI:

L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life

Product Name:

IFL-12, etc.

Project Name/Number:

IFL-12, etc./IFL-12, etc.

## Form Schedule Item Changes

Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-6-12.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
5	GIO-12	POLA	Rider – Guaranteed Increase Option	Initial	50.200	GIO-12.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
6	ROP-12-AR	POLA	Rider – Return of Premium Term Insurance	Initial	47.700	ROP-12-AR.pdf	Date Submitted: 08/09/2012 By: Rita Bellew

Previous Version



SERFF Tracking #:

PNMU-128516500

State Tracking #:

Company Tracking #:

IFL-12, ETC.

State:

Arkansas

Filing Company:

Penn Mutual Life Insurance Company

TOI/Sub-TOI:

L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life

Product Name:

IFL-12, etc.

Project Name/Number:

IFL-12, etc./IFL-12, etc.

## Form Schedule Item Changes

Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-6-12.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
6	ROP-12	POLA	Rider – Return of Premium Term Insurance	Initial	47.700	ROP-12.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
7	ACDB-12-AR	POLA	Rider – Accelerated Death Benefit for Terminal Condition	Initial	46.000	ACDB-12-AR.pdf	Date Submitted: 08/09/2012 By: Rita Bellew

Previous Version

State: Arkansas Filing Company: Penn Mutual Life Insurance Company  
 TOI/Sub-TOI: L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
 Product Name: IFL-12, etc.  
 Project Name/Number: IFL-12, etc./IFL-12, etc.

Form Schedule Item Changes							
Item No.	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments	Submitted
1	IFL-12	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial	48.800	IFL-12-AR 8-6-12.pdf	Date Submitted: 08/09/2012 By: Rita Bellew
7	ACDB-12	POLA	Rider – Accelerated Death Benefit for Terminal Condition	Initial	46.000	ACDB-12 .pdf	Date Submitted: 08/09/2012 By: Rita Bellew

No Rate/Rule Schedule items changed.

**Conclusion:**

Sincerely,

Rita Bellew  
 Sr. State Filing Coordinator  
 Penn Mutual Life Insurance Company  
 215-956-8290

Sincerely,  
 Rita Bellew

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**State:** Arkansas **Filing Company:** Penn Mutual Life Insurance Company  
**TOI/Sub-TOI:** L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life  
**Product Name:** IFL-12, etc.  
**Project Name/Number:** IFL-12, etc./IFL-12, etc.

## Objection Letter

Objection Letter Status	Pending Industry Response
Objection Letter Date	07/05/2012
Submitted Date	07/05/2012
Respond By Date	08/06/2012

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Dear Rita Bellew,

**Introduction:**

*This will acknowledge receipt of the captioned filing.*

**Objection 1**

*Comments: Regulation 57 was revised effective January 2010, the filing fee is now \$50.00 per form. We will hold your filing in a pending status until the additional \$750.00 is received.*

**Conclusion:**

*A.C.A. 23-79-109(1)-(5) sets forth the procedure by which filings may be deemed approved upon the expiration of certain time periods with no affirmative action by the commissioner. If the commissioner determines that additional information is needed to make a decision regarding approval, such request for information will be made to the company. The filing will not be considered complete until said additional information is received. The time periods set forth in this statute will not begin to run until the filing is complete.*

*Please feel free to contact me if you have questions.*

*Sincerely,  
Linda Bird*

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company
<b>TOI/Sub-TOI:</b>	L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life		
<b>Product Name:</b>	IFL-12, etc.		
<b>Project Name/Number:</b>	IFL-12, etc./IFL-12, etc.		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/06/2012
Submitted Date	07/06/2012

*Dear Linda Bird,*

**Introduction:**

*Thank you for your letter.*

**Response 1**

**Comments:**

*Please find that the additional 750.00 has been posted.*

### ***Related Objection 1***

*Comments: Regulation 57 was revised effective January 2010, the filing fee is now \$50.00 per form. We will hold your filing in a pending status until the additional \$750.00 is received.*

**Changed Items:**

*No Supporting Documents changed.*

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

**Conclusion:**

*Thank you,*

*Rita Bellew*

*Sr. State Filing Coordinator*

*Penn Mutual Life Insurance*

215-956-8290

*Sincerely,*

*Rita Bellew*

SERFF Tracking #:

PNMU-128516500

State Tracking #:

Company Tracking #:

IFL-12, ETC.

State: Arkansas

Filing Company:

Penn Mutual Life Insurance Company

TOI/Sub-TOI: L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life

Product Name: IFL-12, etc.

Project Name/Number: IFL-12, etc./IFL-12, etc.

## Form Schedule

### Lead Form Number: IFL-12

Item No.	Schedule Item Status	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments
1		IFL-12-AR	POL	Flexible Premium Adjustable Indexed Life Insurance	Initial:	48.800	IFL-12-AR 8-616-12.pdf
2		OPB-12	POLA	Rider – Overloan Protection Benefit	Initial:	45.400	OPB-12.pdf
3		CTI-12-AR	POLA	Rider – Children's Term Insurance	Initial:	50.200	CTI-12-AR.pdf
4		SBE-12	POLA	Rider – Surrender Benefit Enhancement	Initial:	48.800	SBE-12.pdf
5		WSC-12	POLA	Rider – Waiver of Surrender Charge	Initial:	48.100	WSC-12.pdf
6		STI-12-AR	POLA	Rider – Supplemental Term Insurance	Initial:	45.400	STI-12-AR.pdf
7		ADB-12	POLA	Rider – Accidental Death Benefit	Initial:	46.000	ADB-12.pdf
8		WSP-12	POLA	Rider – Disability Waiver of Stipulated Premium	Initial:	47.100	WSP-12.pdf
9		WMD-12	POLA	Rider – Disability Waiver of Monthly Deductions	Initial:	45.000	WMD-12.pdf
10		SE-12	POLA	Rider – Supplemental Exchange	Initial:	59.600	SE-12.pdf
11		AITI-12-AR	POLA	Rider – Additional Insured Term Insurance	Initial:	50.100	AITI-12-AR.pdf
12		GIO-12-AR	POLA	Rider – Guaranteed Increase Option	Initial:	50.200	GIO-12-AR.pdf
13		ROP-12-AR	POLA	Rider – Return of Premium Term Insurance	Initial:	47.700	ROP-12-AR.pdf
14		ACDB-12-AR	POLA	Rider – Accelerated Death Benefit for Terminal Condition	Initial:	46.000	ACDB-12-AR.pdf

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company
<b>TOI/Sub-TOI:</b>	L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life		
<b>Product Name:</b>	IFL-12, etc.		
<b>Project Name/Number:</b>	IFL-12, etc./IFL-12, etc.		

Lead Form Number: IFL-12							
Item No.	Schedule Item Status	Form Number	Form Type	Form Name	Action/ Action Specific Data	Readability Score	Attachments
15		PM1143GEN	AEF	Life Application	Initial:	50.000	PM1143GEN Non-Compact.pdf
16		PM1146GEN	AEF	Temporary Insurance Agreement	Initial:	50.000	PM1146GEN Non-Compact.pdf

#### Form Type Legend:

<b>ADV</b>	Advertising	<b>AEF</b>	Application/Enrollment Form
<b>CER</b>	Certificate	<b>CERA</b>	Certificate Amendment, Insert Page, Endorsement or Rider
<b>DDP</b>	Data/Declaration Pages	<b>FND</b>	Funding Agreement (Annuity, Individual and Group)
<b>MTX</b>	Matrix	<b>NOC</b>	Notice of Coverage
<b>OTH</b>	Other	<b>OUT</b>	Outline of Coverage
<b>PJK</b>	Policy Jacket	<b>POL</b>	Policy/Contract/Fraternal Certificate
<b>POLA</b>	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider	<b>SCH</b>	Schedule Pages



## The Penn Mutual Life Insurance Company

**Insured: William Penn**

**Policy Number: 8888888**

**Specified Amount \$100,000**

(Level Death Benefit Option)

**Policy Date: April 1, 2012**

**Date of Issue: April 1, 2012**

The Penn Mutual Life Insurance Company agrees, subject to the provisions of this policy, to pay the Death Benefit to the Beneficiary upon receipt of due proof of the death of the Insured. The Penn Mutual Life Insurance Company also agrees to provide all of the other benefits stated in this policy.

This contract is made in consideration of the payment of premiums as provided in this policy. The provisions on this and the following pages are part of this policy.

Although an external index or indices may affect the policy values, the policy itself does not directly participate in any stock or equity investments. The benefits, values, periods of coverage or premiums are on an indeterminate basis. The initial interest rate for the Fixed Account is guaranteed only for a limited period of time.

Executed on the Date of Issue by the Penn Mutual Life Insurance Company.



Managing Corporate Counsel  
and Secretary



President and  
Chief Executive Officer

**FREE LOOK PERIOD** - This policy may be canceled by returning it within 10 days after it is received by the policyowner. If this policy is a Replacement Policy it may be cancelled by returning it within 30 days after it is received by the policyowner. In either situation, it must be returned to the Penn Mutual Life Insurance Company or to the agent through whom it was purchased. This policy will then be considered void as of its inception. Any premium paid on it will be refunded.

**READ YOUR POLICY CAREFULLY.** This policy is a legal contract between the Owner and the Penn Mutual Life Insurance Company.

### Flexible Premium Adjustable Indexed Life Insurance Policy

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Indexed Account Feature
- Participating
- Supplemental benefits, if any, listed on Page 3

# Guide to Policy Sections

- |                                    |                                    |
|------------------------------------|------------------------------------|
| 1. Policy Specifications           | 8. Death and Maturity Benefits     |
| 2. Endorsements                    | 9. Surrender of Policy             |
| 3. Qualification as Life Insurance | 10. Basis of Computation of Values |
| 4. Premiums                        | 11. Policy Changes                 |
| 5. Lapse and Reinstatement         | 12. General Provisions             |
| 6. Policy Loans                    | 13. Income Payment Options         |
| 7. Owner and Beneficiary           | 14. Income Payment Option Table    |

Additional Policy Specifications, any Supplemental Agreements and a copy of any applications follow Section 14.



# 1. Policy Specifications

Insured: **William Penn**  
Policy Number: **8888888**  
Specified Amount: **\$100,000**

## Important Dates

Policy Date: April 1, 2012  
Date of Issue: April 1, 2012  
Maturity Date: April 1, 2098 \*

Age: 35 Male  
Rate Class: Standard Non-Tobacco  
Life Insurance Qualification Test: Guideline Premium  
Death Benefit Option: Level  
Issue State: PA

Your State Insurance Department contact information:

PA Insurance Department  
1326 Strawberry Square  
Harrisburg, PA 17120  
(717) 783-1969

## Benefits and Riders

Name	Amount	Other Information
Supplemental Term Insurance	\$100,000	Policy Value Enhancement Date: April 1, 2022  Policy Value Enhancement: 0.15%  Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first 120 months following the policy date): \$0.572  Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first 120 months following an increase in Specified Amount): See Additional Policy Specifications  Termination Date: April 1, 2098
Overloan Protection Benefit	n/a	Minimum Age: 75  Minimum Years: 15  Specified Loan Percentage: 96%  One Time Charge: 3.5%
Supplemental Exchange	n/a	n/a
Accelerated Death Benefit for Terminal Condition	n/a	n/a
Disability Waiver of Monthly Deductions	n/a	n/a

Accidental Death Benefit	\$100,000	n/a
Guaranteed Increase Option	n/a	Option Amount \$100,000 Option Date Ages: 22,25,28,31, 34,37 and 40
Children's Term Insurance	\$10,000	Max. Monthly Expense Charge per \$1,000 of Specified Amount \$0.24
Return of Premium	n/a	n/a
Additional Insured Term Insurance	\$100,000	Age 35 Female Rate Class Standard Non-Tobacco Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first year of the rider): \$0.10 Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first year after increase to rider): \$0.10
Waiver of Surrender Charges	n/a	Max. Monthly Expense Charge per \$1,000 of Specified Amount \$0.24 Max. Monthly Expense Charge per \$1,000 of Specified Amount (for any increase in Specified Amount) See Additional Policy Specifications

## Premiums

Planned Initial Premium	\$2,836.66
Planned Payment Frequency	Annual
Guideline Annual Premium	\$2,836.66
Guideline Single Premium	\$35,091.66

## Initial Premium Allocation

Account	% of Premium
1 Year S&P 500 Indexed Account	100%

## No Lapse Guarantee

The monthly No-Lapse Premium is \$170.00.  
The No-Lapse Period End Date is April 1, 2042.

Although the policy will remain in effect until the No-Lapse Period End Date if the No-Lapse Guarantee Requirement is satisfied, you may be forgoing the advantage of building up a significant policy value.

## Surrender Charges

Maximum Surrender Charge Premium: \$2,160.00  
Initial Maximum Surrender Charge: \$1,944.00  
Surrender Charge per thousand of initial Specified Amount premium: \$25.00  
Surrender Charge per thousand of increase amount premium: \$25.00

Policy Year	Surrender Factors
1	100%
2	89%
3	78%
4	67%
5	56%
6	45%
7	34%
8	23%
9	12%
10 and later	0%

## Expense Charges

Maximum percent of premium charge	8%
Maximum monthly per policy expense charge	\$9.00
Maximum monthly expense charge per \$1,000 of Specified Amount (for the first 120 months following the policy date)	\$0.422
Maximum monthly expense charge per \$1,000 of Specified Amount (for the first 120 months following an increase in Specified Amount)	See Additional Policy Specifications

## Interest Rates

<b>Guaranteed Minimum Interest Rate</b>	1% Annual Rate 0.08295% Monthly Rate
<b>Death Benefit Discount Factor</b>	1.0008295
<b>Policy Value Enhancement</b>	0.30%
<b>Policy Value Enhancement Date</b>	April 1, 2022
<b>Indexed Loan Interest Rate</b>	6% Policy Years 1-10 5.5% Policy Years 11 & After

## Minimums

<b>Minimum Premium Payment</b>	\$25.00
<b>Minimum Allocation to Dollar Cost Averaging Account</b>	\$600.00
<b>Minimum Allocation to Indexed Account</b>	\$25.00
<b>Minimum Transfer to Indexed Account</b>	\$25.00
<b>Minimum Specified Amount</b>	\$50,000.00
<b>Minimum Specified Amount Change</b>	\$10,000.00
<b>Minimum Partial Withdrawal</b>	\$250.00
<b>Minimum Amount to Apply for Income Payment Option</b>	\$5,000.00
<b>Minimum Income Payment</b>	\$50.00
<b>Minimum Total of Income Option 3 Payments</b>	\$75.00

## Fees

<b>Partial Withdrawal processing fee percentage</b>	2%
<b>Partial Withdrawal processing fee dollar amount</b>	\$25
<b>Maximum Fee for Projection of Benefits and Values</b>	\$25

## Important Notices

The owner and beneficiary are as provided in the application or as amended.

Your annual statement will include important notices on when your policy may lapse based on interest rates, expenses, cost of insurance rates and premium payments.

Insurance will terminate if the premiums paid and the interest credited are insufficient to cover the monthly deductions, except as provided in section 4.

Section 7702A of the Internal Revenue Code of 1986 establishes a class of life insurance contracts designated as "Modified Endowment Contract." The rules relating to whether a policy will be treated as a Modified Endowment Contract are extremely complex. Please consult a qualified tax advisor regarding your own personal situation.

The Dollar Cost Averaging Period is 12 months.

In this Policy, “We”, “Us”, or “Our” means The Penn Mutual Life Insurance Company; “You” and “Your” means the Owner of the Policy; and “Insured” means the person whose life is covered under the Policy.

### 3. Qualification as Life Insurance

The life insurance qualification test for this Policy will be the Guideline Premium Test unless otherwise elected in the application. The test for this Policy is shown on Page 3. The test may not be changed at any time after the Policy is issued.

We may limit premium payments as necessary in order to qualify the Policy as a life insurance contract under Section 7702. No payment will be returned or refused if it is necessary to continue coverage.

**Guideline Premium Test**—Under this test, the amount of premium that can be paid in a policy year may not exceed the Maximum Premium Limit. The limit for a policy year is the largest amount of premium which can be paid in that policy year such that the sum of the premiums paid will not at any time exceed the guideline premium limitation. The limitation is referred to in Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor thereto. The Maximum Premium Limit for the following policy year will be shown on the Annual Report.

In addition, a minimum margin must exist between the Death Benefit and the Policy Value. The margin is defined in Section 7702 and is based on the attained age of the Insured. The Basic Death Benefit will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section for further details.

**Cash Value Accumulation Test**—Under this test, the Policy Value cannot at any time exceed the net single premium required to fund the future benefits under the Policy. The net single premium is defined in Section 7702 of the Internal Revenue Code. The Basic Death Benefit will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section and the Contract provision for further details.

### 4. Premiums

**Payment of Premiums**—Premiums are payable while this Policy is in force until the Maturity Date. The first premium is due on or prior to the Date of Issue. Premiums after the first may be paid in any amount and at any interval subject to the following conditions:

- (1) No premium payment may be less than the minimum as shown on Page 3.
- (2) We require submission of evidence of insurability on subsequent premiums that cause an immediate increase in the difference between the Death Benefit and the Policy Value. The increase will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date. Any application for such increase will be attached to and made a part of the Policy.
- (3) If the Guideline Premium Test is in effect, total premiums paid in any policy year may not exceed the Maximum Premium Limit for that policy year. If excessive premium is paid we are authorized to refund only the portion that is over the limit. No payment will be returned or refused if it is necessary to continue coverage.

Each premium after the first is payable at our Home Office. A receipt signed by the President or the Secretary will be given on request. If a loan is outstanding, deposits not designated as premium or loan repayment will be applied as premium payments.

**No-Lapse Guarantee Requirement**—The requirement prevents the lapse of the Policy when the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following month. The requirement ceases on the No-Lapse Period End Date shown on Page 3. To satisfy the requirement, (a) minus (b) must equal or exceed (c), where:

- (a) is the sum of all premiums paid on this Policy;
- (b) is the sum of any partial withdrawals; and
- (c) is the No-Lapse Premium multiplied by the number of elapsed months since the Policy Date.

A change in the Specified Amount, the addition or deletion of any supplemental riders to this Policy, or a change in the rate class of the Insured may result in a change in the No-Lapse Premium. The No-Lapse Period End Date will not be changed.

We will continue to deduct Monthly Deductions from the Policy Value while the Policy is in force under the requirement. The Policy will remain in force with a negative Policy Value if the requirement is satisfied. We will not credit interest to the negative Policy Value. The Net Amount at Risk will not exceed the Basic Death Benefit divided by the Death Benefit Discount Factor due to the negative Policy Value. The Net Cash Surrender Value on the No-Lapse Period End Date may be insufficient to keep the policy in force. An additional payment may be necessary.

**No-Lapse Premium**—The No-Lapse Premium is the amount shown on Page 3.

**No-Lapse Guarantee Requirement Restrictions**—If the Return of Premium Term Insurance Rider is attached to this Policy, this requirement section does not apply to the Term Insurance Benefit associated with that Rider.

If there is any Policy Debt on the Policy, this requirement section does not apply. Therefore, the Policy would enter the grace period if the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following month. You can reinstate the requirement by repaying the Policy Debt.

**Continuation of Insurance**—If all premium payments cease, this Policy will continue, subject to the Grace Period Provision, for as long as the values in this Policy are sufficient to keep it in force. The Policy will continue in accordance with the provisions of this Policy and any supplemental riders attached to this Policy.

**Grace Period**—If, on a Monthly Anniversary prior to the No-Lapse Period End Date shown on Page 3:

- (a) the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month; and
- (b) the No-Lapse Guarantee Requirement is not satisfied,

then a grace period of 61 days will be allowed for the payment of a premium for the grace period plus sufficient premium to keep this Policy in force for one month.

If, on a Monthly Anniversary on or after the No-Lapse Period End Date shown on Page 3, the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month, a grace period of 61 days will be allowed for the payment of a premium sufficient to pay the Monthly Deduction.

Notice of the amount of premium required to be paid during the grace period to keep this Policy in force will be sent to your last known address. The notice will be sent at least 30 days before the end of the 61-day grace period. This Policy will remain in force during the grace period.

## 5. Lapse and Reinstatement

**Lapse**—If a premium sufficient to keep this Policy in force is not paid during the grace period, this Policy will lapse at the end of the grace period. At lapse this Policy will terminate without value and cease to be in force.

**Reinstatement**—This Policy may be reinstated within five years after lapse. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

The effective date of a reinstatement will be the date of our approval of the application for reinstatement. Such application will be attached to and made a part of the reinstated policy. Following reinstatement, the Policy Date continues to be the date shown on Page 3.

The policy value on the date of reinstatement is the sum of:

- (a) the policy value at the beginning of the grace period of lapse, including any Policy Debt;
- (b) interest on (a) at the Guaranteed Minimum Interest Rate per year until the date of reinstatement;
- (c) any dividend credited to the policy;
- (d) interest on (c) at the Guaranteed Minimum Interest Rate until the date of reinstatement; and
- (e) the payment made upon reinstatement reduced by the percent of premium charge

less the sum of:

- (a) the Monthly Deductions for the grace period;
- (b) interest on (a) at the Guaranteed Minimum Interest Rate per year until the date of reinstatement; and
- (c) the Monthly Deduction for the policy month following the date of reinstatement.

The surrender charge set forth in the Surrender of Policy Section will continue to apply to any surrender of this Policy following reinstatement. The surrender charge will be calculated based on the Policy Date and will include the period while the Policy was lapsed.

Following reinstatement, the provisions of No-Lapse Guarantee Requirement set forth in Premium Section will again be applicable until the No-Lapse Period End Date shown on Page 3. There must be no Policy Debt on the Policy.

Sufficient premium must be paid so that, as of the effective date of reinstatement, (a) minus (b) equals or exceeds (c), where:

- (a) is the sum of all premiums paid on this Policy;
- (b) is the sum of any partial withdrawals; and
- (c) is the No-Lapse Premium multiplied by the number of elapsed months since the Policy Date.



## 6. Policy Loans

**Policy Loan**—You may obtain a loan while this Policy is in force during the life of the Insured. The loan, plus any existing Policy Debt, may not be greater than the Loan Value of this Policy on the date of the loan.

We may defer making a loan for up to six months from the date of the loan request. However, a loan to pay a premium due on a policy we issued will not be deferred.

At the time of the first loan, you must choose one of two loan options called the Traditional Loan Option and the Indexed Loan Option. You may have only one loan option active at any point in time.

**Loan Value**—The Loan Value is that amount which, with interest at the then current loan interest rate on this Policy, will accumulate to the projected cash surrender value at the next policy anniversary. The projected cash surrender value at the next policy anniversary is the current cash surrender value projected from the date as of which the Loan Value is being determined to the next policy anniversary.

**Traditional Loan Option**—When a Traditional Loan is taken, an amount equal to the amount of the loan will be withdrawn from the Policy Value. The amount will be placed in the Policy Loan Account. The withdrawal will be made from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, the withdrawal will be made from the Dollar Cost Averaging Account.

You can switch from the Traditional Loan Option by transferring the entire loan balance to the Indexed Accounts by way of the Holding Accounts on a policy anniversary. You also can switch options after repaying the entire loan balance.

**Traditional Loan Interest**—Traditional Loans will bear interest at an adjustable loan interest rate. We will determine the Traditional Loan interest rate as of the first day of each calendar year. Such rate will be effective on the date as of which it is determined. It will apply to any new or outstanding Traditional Loan under this Policy during the calendar year.

The Traditional Loan interest rate will be determined by comparing the rate in effect for the preceding calendar year with a maximum interest rate defined by law and described below. Any change in the Traditional Loan interest rate will be subject to the following:

- (1) The Traditional Loan interest rate will be lowered to be equal to or less than the legal maximum interest rate if such legal maximum interest rate is 1/2% or more lower than the loan interest rate in effect during the preceding calendar year.
- (2) The Traditional Loan interest rate may be increased, by at least 1/2% but not higher than the legal maximum interest rate, if the legal maximum interest rate is 1/2% or more higher than the loan interest rate in effect during the preceding calendar year.

The legal maximum interest rate used in determining the loan interest rate is the greater of:

- (a) Moody's Corporate Bond Yield Average — Monthly Average Corporates as published by Moody's Investors Service, Inc. for the calendar month ending two months prior to the date as of which the loan interest rate is determined; or
- (b) The Guaranteed Minimum Interest Rate used to calculate policy values under this Policy plus 1 percentage point per year.

If Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, the rate used in its place will be as established by law or by regulation of the insurance supervisory official of the jurisdiction in which this Policy is issued.

We will:

- (a) notify you of the initial Traditional Loan interest rate at the time that a loan is made; and
- (b) if there is a loan outstanding on this Policy, give you advance notice of any increase in the Traditional Loan interest rate.

Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on loans.

**Policy Loan Account**—For the Traditional Loan Option, any repayment of Policy Debt will be withdrawn from the Policy Loan Account and reallocated to the Fixed Account. Except for such repayment of Policy Debt, no transfers or partial withdrawals may be made from the Policy Loan Account.

The Policy Loan Account will be credited with interest. We will determine the rate of interest each year. In no event will the interest credited be more than 1% lower than the Traditional Loan interest rate. In no event will the interest credited be less than the Guaranteed Minimum Interest Rate shown on Page 3. Starting in the 11th policy year, the rate of interest credited on the Policy Loan Account will in no event be more than 0.25% lower than the Traditional Loan interest rate.

**Indexed Loan Option** —Indexed Loans are only permitted from the Indexed Accounts or the Holding Accounts. The Fixed Account Value cannot be loaned under the Indexed Loan Option, until transferred into the Indexed Accounts by way of the Holding Accounts. The Indexed Loan is not transferred to the Policy Loan Account but will remain in the Holding Accounts until the next Segment Date or in the Indexed Accounts. The Indexed Loan will continue to be credited interest in the same manner as the un-loaned portion of the Holding Accounts or Indexed Accounts.

You can switch from the Indexed Loan Option by transferring the entire loan balance to the Policy Loan Account on a policy anniversary. You can also switch options after repaying the entire loan balance.

**Indexed Loan Interest**—Indexed Loans will bear interest at the Indexed Loan interest rates listed on Page 3. Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on Indexed Loans.

**Policy Debt**—Policy Debt means outstanding loans on this Policy plus any loan interest due or accrued. Policy Debt may be repaid in full or in part at any time while this Policy is in force during the life of the Insured. This Policy is the only security for Policy Debt on it. If the Policy Debt is greater than the Cash Surrender Value, a notice of pending termination will be mailed to your last known address and that of any assignee on record. If we are not paid the excess Policy Debt, this Policy will terminate 61 days after the notice is mailed.

This Policy will not terminate in a policy year as the sole result of a change in the rate of interest on loans until the time at which it would have terminated if there had been no change in the rate of interest on loans during that policy year.

## 7. Owner and Beneficiary

**Owner**—The Owner of this Policy is as stated in the application unless changed by a subsequent owner designation or assignment. Subject to the terms of any assignment, while this Policy is in force before the death of the Insured, the Owner may exercise all of the rights in it without the consent of any other person.

**Beneficiary**—The Beneficiary of this Policy is as stated in the application unless changed by a subsequent beneficiary designation. We will provide the necessary form. If no other provision is made, the interest of a Beneficiary who dies before the death of the Insured will pass to you.

**Change of Owner or Beneficiary** - You may transfer ownership or change the Beneficiary by filing a written designation at the Home Office. We will provide the necessary form. Unless you specify otherwise, the designation will take effect as of the date you signed the form, subject to any action we have taken prior to the time that the designation is received at the Home Office.

Unless otherwise stated in a designation, the following rules will apply to terms of kinship:

- (a) A legally adopted child of any person will be considered the child of the adopting parent.
- (b) The brothers and sisters of a person will include those who have only one parent in common with the person, but will not include stepbrothers or stepsisters.
- (c) Any reference to children will not include stepchildren and any reference to parents will not include stepparents.

**Assignment** - You may assign this Policy while it is in force during the life of the Insured. Your rights and the rights of any Beneficiary will be subject to the rights of an assignee under the terms of an assignment. We will not be bound by any assignment until you provide a signed form, that we have either provided or find acceptable, and the form has been filed at the Home Office. Unless you specify otherwise, the assignment will take effect as of the date you signed the form, subject to any action we have taken prior to the time that the assignment is received at the Home Office. We are not responsible for the effect or the validity of any assignment.

## 8. Death and Maturity Benefits

**Basic Death Benefit**—The Basic Death Benefit prior to the Maturity Date will be as follows:

- (1) If the Policy has a **Level Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (a) the Specified Amount; or
  - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.
- (2) If the Policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (a) the Specified Amount plus the Policy Value; or
  - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.

The Basic Death Benefit on the Maturity Date and beyond will be equal to the Net Policy Value, plus interest, until the death of the Insured. In no event will the rate of interest credited be less than the Guaranteed Minimum Interest Rate listed on Page 3.

**Amount of Death Benefit**—The Death Benefit, payable at the death of the Insured while this Policy is in force and before surrender, will be equal to the sum of:

- (a) the Basic Death Benefit on the date of death of the Insured;
- (b) any dividend payable at death of the Insured; and
- (c) any benefit provided by a supplemental rider attached to this Policy and payable because of the death of the Insured;

less the sum of:

- (a) any Policy Debt on this Policy at the time of the death of the Insured; and
- (b) if the death of the Insured occurs during a grace period, the lesser of the past due Monthly Deductions until the date of death of the Insured or the amount needed to meet the No-Lapse Guarantee Requirement.

**Suicide Exclusion**—If the Insured dies by suicide, while sane or insane, within two years from the Date of Issue, the Death Benefit will be limited to the premiums paid less any Policy Debt and any partial withdrawals.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Specified Amount, the Death Benefit with respect to that increase will be limited to the Monthly Deductions made for that increase.

**Payment of Death Benefit** - Due proof of the death of the Insured will consist of a certified copy of the death certificate of the Insured, or other lawful evidence providing equivalent information, and proof of the claimant's interest in the proceeds. The Death Benefit will be paid to the Beneficiary in one sum or, if elected, under an income payment option. We will pay interest from the date of death to the date of payment. We will determine the interest rate each year. The rate will not be less than the Guaranteed Minimum Interest Rate per year, compounded annually, or such higher rate as may be required by law.

**Amount of Maturity Benefit**—The Maturity Benefit payable if the Insured is living on the Maturity Date and if this Policy is then in force will be equal to the Net Policy Value on that date.

**Payment of Maturity Benefit**—The Maturity Benefit will be paid to you in one sum or, if elected, under an Income Payment Option.

## 9. Surrender of Policy

**Surrender**—You may surrender this Policy for its Net Cash Surrender Value by filing a written request with us. The Net Cash Surrender Value may be taken in one sum or it may be left with us under an income payment option. The annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the Net Cash Surrender Value to purchase a single premium immediate annuity contract at purchase rates we offer at that time to the same class of annuitants. This Policy will terminate and cease to be in force if it is surrendered.

If this Policy is surrendered within 30 days after a policy anniversary, the amount payable on surrender will not be less than the Net Cash Surrender Value on that policy anniversary less any policy loans and partial withdrawals made since the anniversary.

We may defer the payment of the Net Cash Surrender Value in one sum for up to six months from the date of the surrender request. If the payment is deferred for 30 days or more, it will bear interest at the Guaranteed Minimum Interest Rate per year compounded annually while it is deferred.

**Net Cash Surrender Value**—The Net Cash Surrender Value is the Net Policy Value decreased by any surrender charge.

**Net Policy Value**—The Net Policy Value is the Policy Value decreased by any Policy Debt on this Policy.

**Cash Surrender Value**—The Cash Surrender Value is the Policy Value decreased by any surrender charge.

**Surrender Charge**—The surrender charge for the initial Specified Amount is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
- (b) is 90% of the lesser of:
  - (i) the Maximum Surrender Charge Premium shown on Page 3;
  - (ii) the total premiums paid in the first policy year; and
  - (iii) the per thousand of initial Specified Amount premium shown on Page 3.

The surrender charge for each increase in Specified Amount is based on the amount of the increase and on the attained age of the Insured at the time of the increase. All premiums paid during the first policy year after the effective date of an increase are applied to the increase in Specified Amount for the calculation of the surrender charge. The surrender charge is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the effective date of the increase; and
- (b) is 90% of the lesser of:
  - (i) the Maximum Surrender Charge Premium provided to you for the effective date of the increase based on the attained age, sex, and rate class of the Insured;
  - (ii) the total premium paid with the increase during the first policy year after the effective date of the increase; and
  - (iii) the per thousand of the increase amount premium shown on Page 3.

A surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount in the first five policy years. The charge is based on a proportional amount of the decreased Specified Amount of the coverage decreased. The Surrender Charge will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account. Surrender charges will not be deducted for decreases that were caused by partial withdrawals or changes to the Death Benefit Option. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.

**Partial Withdrawal**—You may make a partial withdrawal for a portion of the Net Cash Surrender Value by filing a written request with us. The partial withdrawal may not be less than the Minimum Partial Withdrawal shown on Page 3. No more than twelve partial withdrawals may be made in any policy year. No partial withdrawal may be made which would reduce the Specified Amount to less than the Minimum Specified Amount shown on Page 3. A processing fee will be deducted from the available Net Cash Surrender Value and will be considered

part of the partial withdrawal. The fee is a percentage of the amount withdrawn as shown on Page 3, not to exceed the dollar amount shown on Page 3.

Any partial withdrawal will reduce the Policy Value by the amount of the partial withdrawal. If the Policy has a Level Death Benefit Option, the Specified Amount will also be reduced by the amount of the partial withdrawal that exceeds the difference between the Death Benefit and the Specified Amount. In those instances, the Specified Amount will be reduced in the following order:

- (a) The most recent increase in Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

Partial withdrawals will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, the partial withdrawal will be made from the Dollar Cost Averaging Account.

The Surrender Charge will not be reduced as a result of a partial withdrawal.

**Systematic Partial Withdrawal Program**—The Systematic Partial Withdrawal Program is a program of periodic distribution of a portion of the Policy Value through policy loans and partial withdrawals. We reserve the right to discontinue such a program at any time. Contact our Home Office for details of how this program works. A processing fee of the percentage of the amount withdrawn as shown on Page 3, but not more than the dollar amount shown on Page 3, will be made for each year the program is active. This program is only available after the first policy year.

We may defer the payment of the amount of a partial withdrawal for up to six months from the date of the partial withdrawal request. However, a partial withdrawal to pay a premium due on a Policy we issued will not be deferred. If the payment is deferred for 30 days or more, it will bear interest at the Guaranteed Minimum Interest Rate per year compounded annually while it is deferred.

## 10. Basis of Computation of Values

**Policy Value**—On the Policy Date the Policy Value is the initial premium paid less the sum of:

- (a) the percent of premium charge, and
- (b) the Monthly Deduction for the first policy month.

On each Monthly Anniversary while this Policy is in force, the Policy Value equals the sum of the values of:

- (a) the Fixed Account;
- (b) the Holding Accounts;
- (c) the Indexed Accounts;
- (d) the Dollar Cost Averaging Account; and
- (e) the Policy Loan Account.

Monthly Deductions will be deducted on the Policy Date and each Monthly Anniversary from the values of the Fixed Account, Holding Accounts, and Indexed Accounts. The Monthly Deductions are deducted on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account.

**Fixed Account**—Amounts allocated or transferred to the Fixed Account will be credited with interest. We will determine the rates as described in the Determination of Nonguaranteed Factors provision below. In no event will the rate of interest credited be less than the Guaranteed Minimum Interest Rate listed on Page 3. The declared rate will apply from the date of allocation or transfer through the end of a twelve month period. The twelve month period begins on the first day of the calendar month in which the allocation or transfer is made. Thereafter, interest will be credited on such amount for successive twelve month periods at the rate then applicable to new allocations to the account.

**Fixed Account Value**—On each Monthly Anniversary while this Policy is in force, the Fixed Account Value is the sum of:

- (a) the value of the Fixed Account on the previous Monthly Anniversary;
- (b) one month's interest on (a);
- (c) any premium allocated to the Fixed Account since the preceding Monthly Anniversary reduced by the applicable percent of premium charge;
- (d) any amount transferred into the Fixed Account from a Holding Account or an Indexed Account since the preceding Monthly Anniversary;
- (e) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary;
- (f) interest on (d) from the date of transfer into the Fixed Account;
- (g) any loan repayments allocated to the Fixed Account since the prior Monthly Anniversary;
- (h) interest on (g) from the date of receipt in the Home Office to the Monthly Anniversary;
- (i) any applicable dividend credited to the Fixed Account Value on the Monthly Anniversary; and
- (j) any applicable Policy Value Enhancement to the Fixed Account on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Fixed Account since the preceding Monthly Anniversary;
- (b) any amount transferred out of the Fixed Account into the Indexed Accounts since the preceding Monthly Anniversary;
- (c) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (d) interest on (b) from the date of transfer out of the Fixed Account.
- (e) the applicable monthly deduction for the following policy month;
- (f) any policy loan or unpaid policy loan interest taken from the Fixed Account; and
- (g) interest on (f) from the date of the loan or loan interest deduction.

On dates other than a Monthly Anniversary, the value of the Fixed Account will be determined consistently with the above.

**Fixed Account Transfers**—Subject to and in accordance with the provisions of this Policy, including the Transfers provision of the Holding Accounts Section and the Indexed Accounts Section:

- (a) an amount held in the Fixed Account may be transferred to the Indexed Accounts by way of the Holding Accounts only during the period which is not more than 30 days immediately following the end of each policy year; and
- (b) the amount that may be transferred excludes any amount held in the Policy Loan Account.

**Holding Accounts**—We will automatically deposit into a Holding Account any premium or amounts allocated or transferred to the Indexed Accounts. The Holding Account Value is then transferred to the next segment of the designated Indexed Account on the next Segment Date as described in the Indexed Accounts provision. Amounts held in a Holding Account will be credited with interest. We will determine the interest rate as described in the Determination of Nonguaranteed Factors provision. In no event will the rate of interest be less than the Guaranteed Minimum Interest Rate listed on Page 3. The declared rate will apply from the date of

transfer through the end of the one month period which begins on the first day of the calendar month in which the allocation or transfer is made.

**Holding Account Value**—On each Monthly Anniversary while this Policy is in force, the Holding Account Value is the sum of:

- (a) the value of the Holding Account on the previous Monthly Anniversary;
- (b) interest on (a);
- (c) any additional premium allocated to an Indexed Account and held in the Holding Account since the preceding Monthly Anniversary reduced by the applicable percent of premium charge;
- (d) any amount transferred into an Indexed Account from the Fixed Account or Dollar Cost Averaging Account and held in the Holding Account since the preceding Monthly Anniversary;
- (e) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary;
- (f) interest on (d) from the date of transfer into the Holding Account;
- (g) any applicable dividend credited to the Holding Account Value on the Monthly Anniversary; and
- (h) any applicable Policy Value Enhancement to the Holding Account on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Holding Account since the preceding Monthly Anniversary;
- (b) any amount transferred out of the Holding Account into the Fixed Account or Indexed Account since the preceding Monthly Anniversary;
- (c) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (d) interest on (b) from the date of transfer out of the Holding Account;
- (e) the applicable monthly deduction for the following policy month;
- (f) any policy loan or unpaid policy loan interest taken from the Holding Account; and
- (g) interest on (f) from the date of the loan or loan interest deduction.

On dates other than a Monthly Anniversary, the value of the Holding Account will be determined consistently with the above.

**Holding Account Transfers**—Subject to and in accordance with the provisions of this Policy, including the Transfers provision of the Fixed Account Section and the Indexed Accounts Section, we will transfer the amount held in the Holding Account to the Indexed Account on the next Segment Date.

**Indexed Accounts**—Any Indexed Accounts offered as of the Policy Date are described in the Additional Policy Specifications. Each Indexed Account is made up of different Segments that earn interest and Index Credits as described in the Additional Policy Specifications. We may add additional Indexed Accounts or remove Indexed Accounts for future allocation. You will be notified of any change that occurs. A Segment cannot be changed to a new or replaced Indexed Account until Segment Maturity.

**Indexed Account Value**—The value of an Indexed Account is the sum of its Segment Values. Premium payments or transfers from another account intended for an Indexed Account are initially allocated to the Holding Account. The Holding Account Value is then transferred to the Indexed Account on Segment Dates. Segments can be funded by transfers from another account on Segment Dates, or amounts retained in segments following the previous Segment Maturity. The Segment Value at Segment Maturity is used to start a new segment unless you transfer a portion of it to the Fixed Account or another Indexed Account.

Transfers may only be made into an Indexed Account on Segment Dates. Transfers out of an Indexed Account may only be made at Segment Maturity dates. The minimum allocation to an Indexed Account is the amount shown on Page 3. The minimum transfer to an Indexed Account is the amount shown on Page 3. If the Indexed Loan option is chosen, the amount available to transfer out of a segment on the Segment Date is the



lesser of the Segment Value for that segment and the difference between the sum of the values of the Indexed Accounts and the outstanding loan.

**Segment Value**—On the Segment Date the Segment Value is the sum of:

- (a) any remaining Segment Value from the previous segment that has just matured; and
- (b) any transfer from the Holding Account, Dollar Cost Averaging Account, or the Fixed Account;

less the applicable Monthly Deduction for the following policy month.

On each Monthly Anniversary while this Policy is in force, the Segment Value equals the sum of:

- (a) the Segment Value on the preceding Monthly Anniversary;
- (b) one month's interest on (a) at the Segment Minimum Interest Rate;
- (c) any Index Credits applied on the Segment Maturity date;
- (d) any applicable dividend credited to the Segment Value on the Monthly Anniversary; and
- (e) any applicable Policy Value Enhancement to the Segment Value on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Segment Value since the preceding Monthly Anniversary;
- (b) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (c) any transfer from the Segment Value on the Segment Maturity date;
- (d) the applicable Monthly Deduction for the following policy month; and
- (e) any Traditional policy loan or unpaid loan interest taken from the Segment.

On dates other than a Monthly Anniversary, the value of the Segment will be determined consistently with the above.

**Segment Date**—The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates.

**Segment Duration**—The Segment Duration is shown on the Additional Policy Specifications.

**Segment Maturity Date**—The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

**Dollar Cost Averaging Account**—Premium payments may be allocated to a Dollar Cost Averaging Account. The account systematically transfers a portion of the payment to new segments of Indexed Accounts. The dollar cost averaging period is as shown on Page 3. You can request to terminate the account. The remaining balance will be transferred to the Indexed Accounts using the allocation percentages currently in force at that time, unless otherwise directed by you. The minimum premium payment allocated to the account is shown on Page 3.

Amounts held in a Dollar Cost Averaging Account will be credited with interest. The declared interest rate will apply from the date of the allocation to the account through the end of the dollar cost averaging period. At the expiration of the period, we will declare a rate not less than the Guaranteed Minimum Interest Rate for a new period.

**Policy Value Enhancement** – After the Policy reaches the Policy Value Enhancement Date as shown on Page 3, an enhancement will be paid on subsequent monthly anniversaries. The enhancement is based on the Net Policy Value. The enhancement will be applied on a pro-rata basis in proportion to the current net value of each

account. The additional credit will be the monthly equivalent of the Policy Value Enhancement that is shown on Page 3. Once paid, the enhancement will be made part of the Policy Value, which is used in the determination of the Net Cash Surrender Value.

**Monthly Deduction**—The Monthly Deduction is the sum of:

- (a) the Cost of Insurance for the policy month;
- (b) the monthly per policy expense charge;
- (c) the monthly expense charge per \$1000 of Specified Amount; and
- (d) the Monthly Deduction for the policy month for any benefits provided by a supplemental rider made a part of this Policy.

**Net Amount at Risk**—The Net Amount at Risk is equal to (a) divided by (b), minus (c), where:

- (a) is the Basic Death Benefit at the beginning of the policy month;
- (b) is the Death Benefit Discount Factor; and
- (c) is the Policy Value at the beginning of the policy month before the Monthly Deduction.

If the Policy has an Increasing Death Benefit Option, the Policy Value will be allocated to the initial Specified Amount segment in order to determine the Net Amount at Risk.

If there have been any increases in the Specified Amount, the Policy Value will be allocated to the initial Specified Amount for determining the Net Amount at Risk. If the Policy Value exceeds the initial Specified Amount, the excess will be allocated to the increases in Specified Amount in the order of the increases. Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

**Cost of Insurance**—The Cost of Insurance is determined on a monthly basis. It is determined separately for the initial segment as well as for each additional segment created as the result of an increase in the Specified Amount. The total Cost of Insurance for a policy month is calculated as the sum of (a) multiplied by (b) for each segment where:

- (a) is the applicable Cost of Insurance Rate divided by 1,000;
- (b) is the Net Amount at Risk for that segment.

**Cost of Insurance Rate**—The Cost of Insurance Rate is based on policy year and on the issue age, sex and rate class of the Insured. The Cost of Insurance Rate for any increase in Specified Amount will be based on the policy duration since the effective date of the increase. The rate will also be based on the attained age, sex, and rate class of the Insured on the effective date of the increase.

We will determine the Cost of Insurance Rate as described in the Determination of Nonguaranteed Factors provision. These rates will not exceed those shown in the Additional Policy Specifications. Such maximum rates are based on the 2001 Commissioners Standard Ordinary Smoker and Nonsmoker Ultimate Mortality Table, Age Nearest Birthday.

If the policy was issued on an Insured under the age of 20, we will use the 2001 Commissioners Standard Ordinary Composite Ultimate Mortality Table and change to the use of a smoker table when the Insured reaches age 20. When the Insured reaches age 20, we shall notify the Insured in writing at least 60 days prior to the effective date of the change in mortality tables. The Insured will have the option to elect nonsmoker status by submitting sufficient evidence to us. The Insured shall be assigned a smoker classification if the Insured fails to respond to the notice.

**Expense Charges**—The Expense Charges include the following:

- (a) the monthly per policy expense charge;
- (b) the monthly expense charge per \$1,000 of Specified Amount; and
- (c) the percent of premium charge.

The actual expense charges will be determined as described in the Determination of Nonguaranteed Factors provision. However, these actual expense charges will not exceed the maximum expense charges stated on Page 3.

The per \$1,000 of Specified Amount expense charge on the initial Specified Amount will be eliminated for policies that have been in force over ten policy years.

The per \$1,000 of Specified Amount expense charge for any increases in Specified Amount will be eliminated after the charge has been assessed for 10 years from the date of the increase.

**Determination of Nonguaranteed Factors**—We will determine Cost of Insurance Rates, Expense Charges, and Interest Rates based on expectations as to future mortality, investment, expense, and persistency experience. We will not adjust such rates or charges as a means of recovering prior losses or as a means of distributing prior profits.

**Computation of Values** - All policy values and benefits are equal to or greater than those required by or pursuant to the NAIC Universal Life Insurance Regulation, model #585. A detailed statement of the method of computing Policy Values has been filed with the insurance supervisory official of the jurisdiction in which this Policy is delivered, if required.

## 11. Policy Changes

**Right to Make Change**—At any time while this Policy is in force after the first policy year, you may request changes as set forth in this section. You may not make a change that would result in the Death Benefit under this Policy not being excludable from gross income due to not satisfying the requirements of Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor provision thereto. In addition, each change is subject to the conditions stated. This Policy will be amended as the result of any such change.

**Increase in Specified Amount**—An increase in Specified Amount must be applied for on a written application. The increase is subject to our underwriting guidelines in effect at the time of the increase. Evidence of insurability satisfactory to us must be submitted. Any increase must be at least the minimum amount as shown on Page 3.

**Decrease in Specified Amount**—Any decrease in the Specified Amount must be at least the minimum amount as shown on Page 3. The Specified Amount may not be decreased to less than the Minimum Specified Amount as shown on Page 3. No decrease in the Specified Amount may be made in the first policy year. No decrease may be made in the first year following the effective date of an increase in the Specified Amount.

Any decrease in the Specified Amount will become effective on the Monthly Anniversary that coincides with or next follows our receipt of the request. The decrease in the Specified Amount will be in the following order:

- (a) The most recent increase in the Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in the Specified Amount, if any, will then be successively decreased.

(c) The initial Specified Amount will then be decreased.

A surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount in the first five policy years. The charge is based on a proportional amount of the decreased Specified Amount of the coverage decreased. The Surrender Charge will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account. Surrender charges will not be deducted for decreases that were caused by partial withdrawals or changes to the Death Benefit Option. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.

**Change in Death Benefit Option**—If the Policy has an Increasing Death Benefit Option, a request may be made to change this Policy to a Level Death Benefit Option. The Specified Amount after the change will be equal to the Specified Amount before the change plus the Policy Value on the date of the change. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of our receipt of the request to make the change.

If the Policy has a Level Death Benefit Option, a request may be made to change this Policy to an Increasing Death Benefit Option. The Specified Amount after the change will be equal to the Specified Amount before the change less the Policy Value on the date of the change. Any application for such increase will be attached to and made a part of the Policy. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of our receipt of the request to make the change.

The Specified Amount after the change must be at least the Minimum Specified Amount as shown on Page 3. No more than one change in the Death Benefit option may be made in any policy year.

## 12. General Provisions

**The Contract**—This Policy, all applications and any supplemental riders or amendments constitute the entire contract when attached to the Policy. Only the President, a Vice President, the Secretary, the Chief Actuary, an Actuary or an Associate Actuary may, on our behalf, modify this Policy or waive any of its conditions. No agent is authorized to modify this contract or to make any promise as to the future payment of dividends or interest.

At any time we may make such changes in this Policy as are necessary (i) to assure compliance at all times with the definition of life insurance prescribed by federal income tax law, or (ii) to make the Policy conform with any law or regulation issued by any government agency to which it is subject. Any approved amendments will be mailed to you any time such a change occurs. Any such change may, however, be accepted in writing or rejected by you, by returning the amendment to us.

**Incontestability**—All statements made in any application for this Policy are representations and not warranties. No statement will void this Policy or be used to contest a claim under it unless the statement is contained in a written application. A copy of the written application is attached to this Policy.

This Policy will be incontestable after it has been in force during the life of the Insured for two years from the Date of Issue, except for fraud in the procurement of the policy, when permitted by applicable law. Any increase in the Specified Amount will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

**Duration of Coverage**—The duration of coverage under this Policy will depend on the following:

- (a) the amount, timing and frequency of premium payments;
- (b) changes in the Specified Amount or benefits;
- (c) the interest rates credited;
- (d) the cost of insurance rates charged;
- (e) the expense charges;
- (f) satisfaction of the No-Lapse Guarantee Requirement;
- (g) surrenders; and
- (h) the amount and timing of any partial withdrawals or policy loans.

**Participation**—No divisible surplus is expected to be apportioned to this Policy in the foreseeable future. This Policy will participate in divisible surplus while it is in force except as stated in the Income Payment Options section. We will determine each year the share of such surplus, if any, to be apportioned to this Policy as a dividend. No divisible surplus is expected to be apportioned to this Policy in the foreseeable future. Any dividend will be applied as paid up additions unless you elect to have it paid in cash.

**Date of Issue**—The Date of Issue shown on Page 3 is the date your Policy is issued at our Home Office.

**Policy Date**—The Policy Date shown on Page 3 is the date from which policy years, months and anniversaries are determined.

**Monthly Anniversary**—The Monthly Anniversary is the day in each calendar month that is the same day of the month as the Policy Date.

**Age**—The age shown on Page 3 is the insurance age of the Insured. This is the age of the Insured on the birthday nearest the Policy Date. Attained age means the insurance age of the Insured increased by the number of whole years and months after the Policy Date.

**Misstatement of Age or Sex**—If the age or the sex of the Insured has been misstated, the Death Benefit under this Policy will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age and sex. No adjustment in the Policy Value will be made. Any date shown on Page 3 that is based on an incorrect age may be changed to be consistent with the correct age.

**Policy Payments**—All payments by us under this Policy are payable at the Home Office.

**Annual Report**—Each year you will be sent a report. The report shows current information as of a date not more than four months prior to the date of the mailing. The report will contain at least the following information:

- (a) The beginning and end dates of the current report period;
- (b) The policy value, if any, at the beginning of the current report period and at the end of the current report period;
- (c) The amounts that have been credited or debited to the account value during the current report period; for example, premium payments, interest credits, cost of insurance charges, expense charges, and withdrawal amounts;
- (d) The current death benefit at the end of the current report period;
- (e) The cash surrender value, if any, at the end of the current report period;
- (f) The amount of outstanding loans, if any, at the end of the current report period; and
- (g) If assuming guaranteed interest, mortality and expense charges, the cash surrender value will not keep the Policy in force until the end of the next reporting period unless further premiums are made, a notice to this effect will be included.

**Projection of Benefits and Values**—Upon request, we will provide a projection of illustrative future Death Benefits and Policy Values. The request for a projection must be made in writing by you. We may charge a fee for this service, after the first report per year is provided at no cost, not to exceed the maximum fee as shown on Page 3.

**Option to Extend Maturity Date**—Upon your written request, this Policy will continue in force beyond the Maturity Date as shown on Page 3. The Basic Death Benefit under the Policy will continue beyond the Maturity Date without evidence of insurability. The Basic Death Benefit and the Policy Value will continue to be calculated as defined in the Policy. The attained age Death Benefit Factors will be equal to 1.00. The Cost of Insurance Rates will be equal to zero. New partial withdrawals may not be made. New Policy Loans and loan repayments may be made. Policy Loans will continue to accrue interest and the Policy Loan Account will continue to operate as stated in the Policy Loans Section.

Premium payments will not be accepted unless necessary to prevent lapse. All riders and benefits attached to the Policy, except the Supplemental Term Insurance Rider, if applicable, terminate as of the original Maturity Date, as shown on Page 3.

The Policy may not qualify as life insurance under federal tax law after the Insured reaches the Maturity Date. The Policy may be subject to adverse tax consequences and a tax advisor should be consulted before you choose to continue the policy beyond the Maturity Date.

## 13. Income Payment Options

**Election of Income Payment Option**—An income payment option may be elected in place of a one sum payment of any amount payable upon the death of the Insured or upon surrender.

You may elect an income payment option or change a previous election while this Policy is in force before the death of the Insured. If no election is in effect at the time of the death of the Insured, the Beneficiary may elect an income payment option before any payment of the Death Benefit has been made and within one year of the date of death.

The amount applied under an income payment option must be at least the minimum amount shown as on Page 3. No election may provide for income payments that are each less than the minimum income payment as shown on Page 3.

**Option 1—Interest Income**—We will hold the amount applied at interest. Interest will be paid monthly, quarterly, semiannually or annually.

**Option 2— Income for a Fixed Period**—We will pay the amount applied, with interest, in equal monthly payments for a fixed period. The fixed period may not be greater than 30 years.

**Option 3— Income of a Specified Amount**—We will make payments of a specified amount until the total amount applied, with interest, has been paid. The payments may be made monthly, quarterly, semiannually or annually. The final payment may be less than the specified amount. The total of the payments to be made each year must be at least the amount as shown on Page 3 for each \$1,000 applied.

**Option 4— Life Income**—We will pay equal monthly payments during the life of the option annuitant.

**Option 5— Life Income with Guaranteed Period**—We will pay equal monthly payments for a stated guaranteed period and thereafter during the life of the option annuitant. The guaranteed period may be 5 years, 10 years or 20 years.

**Option 6— Life Income with Refund Period**—We will pay equal monthly payments during the life of the option annuitant. If necessary, the payments will continue after the death of the option annuitant until the total of all payments made, including a smaller final payment, if required, equals the total amount applied.

**Option 7— Joint and Survivor Life Income**—We will pay equal monthly payments during the joint life of two option annuitants and thereafter during the life of the survivor.

**Income Amount—Participation**—The income under Options 1 and 2 will be based on interest at a rate of 1.5% per year compounded annually. The unpaid balance of the amount applied under Option 3 will be credited with interest at a rate of 1.5% per year compounded annually.

Options 1, 2 and 3 will participate in divisible surplus by the payment or crediting of additional interest in such amount, if any, as we determine each year. Additional interest will increase the income payments under Options 1 and 2. Additional interest will lengthen the period during which payments are made under Option 3.

The monthly income under Options 4, 5, 6 and 7 will equal 103% of the monthly income under a comparable single premium nonparticipating annuity we issued at the time that the income payments are to begin. In no event will the monthly income under these life income options be less than the income stated in the Income Payment Option Tables. Options 4, 5, 6 and 7 will not participate in divisible surplus.

**Income Period**—The income period under an option will begin on the date of death or surrender. Income payments under Options 1 and 3 will be made at the end of the payment interval. Income payments under Options 2, 4, 5, 6 and 7 will be made at the beginning of the payment interval.

**Option Annuitant**—Option annuitant means a natural person on whose life the income payments under Options 4, 5, 6 and 7 are based.

We may require proof of the age and of the continued life of an option annuitant. If the age or the sex of an option annuitant has been misstated, an appropriate adjustment will be made in the income payments.

**Withdrawal Privilege**—Unless the election states otherwise, the payee under an income payment option may:

- (a) before any income payment has been made, withdraw the amount applied under the option; or
- (b) withdraw the present value of the income payments to become due during any fixed, guaranteed or refund period; or
- (c) withdraw the balance held under Option 1 or 3 plus any accrued interest.

There will be no right to withdraw the present value of the income payments falling due after the guaranteed or refund period under Options 5 and 6. There will be no right to withdraw the present value of any income payments under Options 4 and 7.

We may defer the payment of the amount withdrawn for up to six months from the date of a withdrawal request.

**Present Value**—The present value of the income payments under Option 2 will be based on interest at a rate of 1.5% per year compounded annually. The present value of the remaining income payments during a guaranteed or refund period under a life income option will be based on interest at a rate we set at the time income payments are to begin.

**Death of Payee**—Upon the death of the payee under an income payment option, we will pay the following to the payee's executors or administrators unless stated otherwise in an election to which we consented:

- (a) the balance of the amount held under Option 1 or 3 plus any accrued interest; or
- (b) the present value of the income payments to become due during the fixed period under Option 2; or
- (c) if the option annuitant under Option 5 or 6 has died, the present value of the income payments, if any, to become due during the guaranteed or refund period; or
- (d) if any option annuitant under Option 4, 5, 6 or 7 is living, any income payments as they become due during the option annuitant's life plus, upon the death of the option annuitant under Option 5 or 6, the present value of the income payments, if any, to become due during the guaranteed or refund period.

**Assignment – Creditors**—The amount applied under an income payment option and the payments under the option may not be assigned and, to the extent permitted by law, will not be available to anyone who has a claim against the payee.



## 14. Income Payment Option Table

The following tables show the amount of the first monthly income payment for each \$1,000 of value applied under an annuity option. "Age" as used in the tables for Options 4, 5, 6, and 7 means an adjusted age determined in the following manner from the actual age of the Annuitant on the birthday nearest the date of the first payment:

Date of First Payment  
Before calendar year 2010  
2010-2019  
2020-2029  
2030 and later

Adjusted Age  
Actual Age  
Actual age decreased by 1  
Actual age decreased by 2  
Actual age decreased by 3

### Option 1 - Interest Income

### Option 2 - Income for Fixed Period of Years

Payment Interval	Amount	Years	Monthly Income	Years	Monthly Income	Years	Monthly Income
Annually	\$15.00	1	\$83.90	11	\$8.21	21	\$4.62
		2	42.26	12	7.58	22	4.44
Semi-Annually	7.47	3	28.39	13	7.05	23	4.28
		4	21.45	14	6.59	24	4.13
Quarterly	3.73	5	17.28	15	6.20	25	3.99
		6	14.51	16	5.85	26	3.86
Monthly	1.24	7	12.53	17	5.55	27	3.75
		8	11.04	18	5.27	28	3.64
		9	9.89	19	5.03	29	3.54
		10	8.96	20	4.81	30	3.44

## Options 4, 5 and 6 - Monthly Life Income

The amount of income will be based on the age of the option annuitant on the birthday nearest the date of the first payment.

Age of Option Annui- tant	Option 4		Option 5						Option 6		Age of Option Annui- tant	Option 4		Option 5						Option 6	
	Life Income		20 Year Guaranteed Period		10 Year Guaranteed Period		5 Year Guaranteed Period		with Refund Period			Life Income		20 Year Guaranteed Period		10 Year Guaranteed Period		5 Year Guaranteed Period		with Refund Period	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female		Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
15	\$1.99	\$1.92	\$1.96	\$1.89	\$1.97	\$1.90	\$1.98	\$1.91	\$1.95	\$1.88	65	\$4.85	\$4.37	\$4.14	\$3.96	\$4.69	\$4.28	\$4.81	\$4.35	\$4.06	\$3.92
16	2.01	1.94	1.98	1.91	1.99	1.92	2.00	1.93	1.97	1.90	66	5.02	4.51	4.21	4.04	4.83	4.41	4.98	4.49	4.20	4.01
17	2.03	1.95	2.00	1.92	2.01	1.93	2.02	1.94	1.99	1.91	67	5.20	4.66	4.27	4.11	4.98	4.55	5.15	4.64	4.35	4.04
18	2.05	1.97	2.02	1.94	2.03	1.95	2.04	1.96	2.01	1.93	68	5.39	4.83	4.33	4.18	5.13	4.69	5.33	4.80	4.52	4.24
19	2.07	1.99	2.04	1.96	2.05	1.97	2.06	1.98	2.03	1.95	69	5.60	5.00	4.39	4.26	5.29	4.84	5.53	4.97	4.59	4.25
20	2.09	2.01	2.06	1.98	2.07	1.99	2.08	2.00	2.05	1.97	70	5.82	5.19	4.44	4.32	5.45	5.00	5.73	5.15	4.67	4.49
21	2.11	2.02	2.08	1.99	2.09	2.00	2.10	2.01	2.07	1.98	71	6.05	5.39	4.49	4.39	5.62	5.17	5.95	5.34	4.75	4.58
22	2.13	2.04	2.10	2.01	2.11	2.02	2.12	2.03	2.09	2.00	72	6.30	5.61	4.54	4.45	5.79	5.34	6.17	5.55	5.05	4.77
23	2.15	2.06	2.12	2.03	2.13	2.04	2.14	2.05	2.11	2.02	73	6.57	5.85	4.58	4.50	5.96	5.52	6.42	5.78	5.13	4.85
24	2.17	2.08	2.14	2.05	2.15	2.06	2.16	2.07	2.13	2.04	74	6.85	6.11	4.62	4.55	6.14	5.71	6.67	6.02	5.34	5.06
25	2.20	2.10	2.17	2.07	2.18	2.08	2.19	2.09	2.16	2.06	75	7.15	6.39	4.65	4.60	6.32	5.91	6.94	6.28	5.45	5.15
26	2.22	2.13	2.19	2.10	2.20	2.11	2.21	2.12	2.18	2.09	76	7.47	6.69	4.68	4.64	6.51	6.11	7.22	6.55	5.63	5.28
27	2.25	2.15	2.22	2.12	2.23	2.13	2.24	2.14	2.21	2.11	77	7.82	7.01	4.71	4.67	6.69	6.31	7.52	6.84	5.81	5.48
28	2.27	2.17	2.24	2.14	2.25	2.15	2.26	2.16	2.22	2.13	78	8.19	7.36	4.73	4.70	6.87	6.52	7.83	7.16	5.94	5.76
29	2.30	2.19	2.27	2.16	2.28	2.17	2.29	2.18	2.26	2.15	79	8.59	7.74	4.75	4.72	7.05	6.73	8.15	7.49	6.22	5.86
30	2.33	2.22	2.30	2.19	2.31	2.20	2.32	2.21	2.27	2.18	80	9.01	8.16	4.76	4.75	7.22	6.93	8.49	7.84	6.25	6.05
31	2.36	2.24	2.33	2.21	2.34	2.22	2.35	2.23	2.29	2.20	81	9.47	8.60	4.78	4.76	7.39	7.13	8.84	8.21	6.69	6.16
32	2.39	2.27	2.36	2.24	2.37	2.25	2.38	2.26	2.35	2.22	82	9.95	9.09	4.79	4.78	7.56	7.33	9.21	8.60	6.77	6.67
33	2.42	2.30	2.39	2.27	2.40	2.28	2.41	2.29	2.38	2.26	83	10.47	9.61	4.79	4.79	7.71	7.52	9.58	9.01	7.13	6.77
34	2.46	2.33	2.43	2.30	2.44	2.31	2.45	2.32	2.40	2.27	84	11.02	10.18	4.80	4.80	7.86	7.69	9.97	9.44	7.32	7.10
35	2.49	2.36	2.46	2.33	2.47	2.34	2.48	2.35	2.44	2.32	85	11.61	10.79	4.81	4.80	8.00	7.86	10.36	9.87	7.45	7.33
36	2.53	2.39	2.50	2.36	2.51	2.37	2.52	2.38	2.45	2.35	86	12.24	11.45	4.81	4.81	8.13	8.01	10.76	10.32	7.80	7.53
37	2.56	2.42	2.53	2.39	2.54	2.40	2.55	2.41	2.49	2.36	87	12.91	12.16	4.81	4.81	8.24	8.15	11.17	10.77	7.91	7.98
38	2.60	2.46	2.57	2.43	2.58	2.44	2.59	2.45	2.50	2.42	88	13.61	12.91	4.81	4.81	8.35	8.27	11.57	11.22	8.47	8.08
39	2.65	2.49	2.62	2.46	2.63	2.47	2.64	2.48	2.57	2.45	89	14.37	13.71	4.81	4.81	8.45	8.38	11.97	11.66	8.65	8.40
40	2.69	2.53	2.66	2.50	2.67	2.51	2.68	2.52	2.60	2.48	90	15.17	14.55	4.81	4.81	8.54	8.48	12.37	12.09	8.77	8.69
41	2.73	2.57	2.70	2.54	2.71	2.55	2.72	2.56	2.65	2.52	91	16.01	15.43	4.81	4.81	8.61	8.56	12.77	12.51	9.60	9.02
42	2.78	2.61	2.74	2.58	2.76	2.59	2.77	2.60	2.66	2.54	92	16.91	16.34	4.81	4.81	8.68	8.64	13.15	12.92	9.75	9.42
43	2.83	2.65	2.79	2.62	2.81	2.63	2.82	2.64	2.72	2.55	93	17.86	17.29	4.81	4.81	8.74	8.71	13.53	13.31	9.82	9.73
44	2.88	2.69	2.83	2.66	2.86	2.67	2.87	2.68	2.76	2.61	94	18.87	18.29	4.81	4.81	8.80	8.76	13.91	13.69	10.90	10.21
45	2.94	2.74	2.88	2.71	2.92	2.72	2.93	2.73	2.79	2.62	95	19.96	19.32	4.81	4.81	8.84	8.81	14.28	14.05	11.21	10.50
46	2.99	2.79	2.93	2.76	2.97	2.77	2.98	2.78	2.80	2.68	96	21.13	20.42	4.81	4.81	8.88	8.85	14.64	14.41	11.65	10.92
47	3.05	2.84	2.98	2.80	3.03	2.82	3.04	2.83	2.88	2.70	97	22.41	21.60	4.81	4.81	8.90	8.89	14.99	14.76	12.14	11.37
48	3.11	2.89	3.03	2.85	3.09	2.87	3.10	2.88	2.90	2.76	98	23.84	22.89	4.81	4.81	8.93	8.91	15.34	15.11	12.55	11.76
49	3.18	3.09	3.09	2.92	3.16	2.92	3.17	2.93	2.97	2.79	99	25.44	24.35	4.81	4.81	8.94	8.93	15.67	15.45	13.12	12.29
50	3.24	3.00	3.14	2.95	3.22	2.98	3.23	2.99	3.05	2.85	100	27.27	26.01	4.81	4.81	8.95	8.95	15.99	15.79	13.75	12.88
51	3.31	3.06	3.20	3.00	3.29	3.04	3.30	3.05	3.06	2.94	101	29.36	27.93	4.81	4.81	8.96	8.96	16.27	16.10	14.43	13.51
52	3.39	3.13	3.26	3.06	3.36	3.11	3.38	3.12	3.16	2.95	102	31.77	30.15	4.81	4.81	8.96	8.96	16.53	16.38	15.01	14.06
53	3.47	3.19	3.32	3.12	3.44	3.17	3.46	3.18	3.17	2.99	103	34.57	32.76	4.81	4.81	8.96	8.96	16.75	16.64	15.85	14.85
54	3.55	3.26	3.39	3.18	3.51	3.24	3.54	3.25	3.28	3.05	104	37.82	35.81	4.81	4.81	8.96	8.96	16.93	16.84	16.79	15.72
55	3.63	3.34	3.45	3.24	3.60	3.32	3.62	3.33	3.29	3.10	105	41.60	39.41	4.81	4.81	8.96	8.96	17.06	17.01	16.92	15.89
56	3.73	3.41	3.52	3.30	3.68	3.39	3.72	3.40	3.35	3.17	106	46.03	43.66	4.81	4.81	8.96	8.96	17.16	17.13	17.02	16.01
57	3.82	3.50	3.58	3.37	3.77	3.47	3.81	3.49	3.41	3.29	107	51.23	48.69	4.81	4.81	8.96	8.96	17.22	17.21	17.08	16.09
58	3.92	3.58	3.65	3.44	3.87	3.56	3.91	3.57	3.49	3.30	108	57.34	54.67	4.81	4.81	8.96	8.96	17.26	17.25	17.12	16.13
59	4.03	3.68	3.72	3.51	3.97	3.64	4.02	3.67	3.55	3.43	109	64.58	61.81	4.81	4.81	8.96	8.96	17.28	17.27	17.14	16.15
60	4.15	3.78	3.79	3.58	4.07	3.74	4.13	3.77	3.64	3.45	110	73.20	70.40	4.81	4.81	8.96	8.96	17.28	17.28	17.16	16.16
61	4.27	3.88	3.86	3.65	4.19	3.83	4.25	3.87	3.71	3.51											
62	4.40	3.99	3.93	3.73	4.30	3.94	4.38	3.98	3.81	3.62											
63	4.54	4.11	4.00	3.81	4.42	4.05	4.52	4.09	3.88	3.67											
64	4.69	4.23	4.07	3.88	4.55	4.16	4.66	4.22	3.96	3.80											

## Option 7 - Joint and Survivor Monthly Life Income

The amount of income will be based on the ages of the option annuitants on their respective birthdays nearest the date of the first payment. The table shows income for certain ages for one male and one female option annuitant. The amount is shown under the age of the male and opposite the age of the female. Amounts of income for other combinations of ages or for option annuitants of the same sex will be furnished upon request.

Age of Female Option Annuitant	Age of Male Option Annuitant												
	50	55	60	65	70	75	80	85	90	95	100	105	110
50	\$2.72	\$2.80	\$2.87	\$2.92	\$2.95	\$2.97	\$2.98	\$2.99	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
55	2.85	2.98	3.09	3.18	3.24	3.28	3.30	3.32	3.33	3.33	3.33	3.34	3.34
60	2.96	3.15	3.32	3.47	3.58	3.66	3.71	3.74	3.75	3.76	3.77	3.77	3.77
65	3.05	3.29	3.54	3.77	3.97	4.12	4.22	4.28	4.32	4.35	4.35	4.36	4.37
70	3.12	3.41	3.73	4.07	4.39	4.66	4.86	5.00	5.08	5.13	5.16	5.18	5.19
75	3.17	3.50	3.89	4.33	4.80	5.25	5.64	5.92	6.12	6.24	6.31	6.36	6.38
80	3.20	3.56	4.00	4.53	5.16	5.83	6.48	7.04	7.46	7.75	7.95	8.07	8.14
85	3.22	3.59	4.06	4.67	5.43	6.31	7.28	8.24	9.06	9.70	10.19	10.54	10.72
90	3.23	3.61	4.10	4.75	5.60	6.65	7.92	9.31	10.68	11.89	12.95	13.82	14.34
95	3.24	3.62	4.12	4.80	5.69	6.86	8.35	10.12	12.03	13.93	15.80	17.56	18.77
100	3.24	3.63	4.14	4.82	5.75	7.00	8.64	10.73	13.20	15.88	18.87	22.12	24.70
105	3.24	3.63	4.14	4.84	5.79	7.09	8.86	11.22	14.23	17.86	22.51	28.80	35.26
110	3.24	3.63	4.15	4.85	5.81	7.13	8.97	11.50	14.89	19.30	25.93	36.41	52.85

# Additional Policy Specifications

## One Year Point to Point S&P Global BMI Indexed Account

**Summary** – This section describes the interest crediting methodology for the Segments of the One Year Point to Point S&P Global BMI Indexed Account.

**Index** – The external Index used in the calculations below is the S&P Global BMI (Broad Market Index). References to the S&P Global BMI mean the Standard and Poor's Global Broad Market Index (excluding dividends), comprised of the S&P Developed BMI and S&P Emerging BMI. It is a comprehensive, rules-based index measuring global stock market performance.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the One Year Point to Point S&P Global BMI Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P Global BMI during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 3%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

## **One Year Point to Point S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the One Year Point to Point S&P 500 Indexed Account.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the One Year Point to Point S&P 500 Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P 500 Index during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 4%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

## **Five Year and One Year Blend S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the Five Year and One Year Blend S&P 500 Indexed Account. This Indexed Account provides Index Credits based on Index Performance for Five Year (5Y) Segments and One Year (1Y) Segments.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

### **One Year (1Y) Segment:**

**1Y Index Credits** - Amounts held in the Five Year and One Year Blend S&P 500 Indexed Account earn 1Y Index Credits on the 1Y Segment Maturity Date based on 1Y Index Performance. The 1Y Index Performance equals the growth in the S&P 500 Index during the 1Y Segment multiplied by the 1Y Participation Percentage, with a floor at the 1Y Segment Minimum Interest Rate and a ceiling at the 1Y Cap Percentage.

At the 1Y Segment Maturity Date, the 1Y Index Credit is calculated. The 1Y Index Credit equals the total amount of 1Y segment minimum interest credited to the segment for the just completed 1Y Segment Duration, multiplied by the ratio of the 1Y Index Performance over the 1Y Segment Minimum Interest Rate, subtracting one from the ratio.

**1Y Participation Percentage** – The 1Y Participation Percentage is the percentage of the 1Y Index Performance that will be used to calculate the 1Y Index Credit, if any. The 1Y Participation Percentage is guaranteed not to be below 100%. A new 1Y Participation Percentage will apply to each new 1Y Segment created and will not change for the duration of that segment.

**1Y Cap Percentage** – The 1Y Cap Percentage is the maximum percentage of the 1Y Index Performance that will be used to calculate the 1Y Index Credit, if any. The 1Y Cap Percentage is guaranteed not to be below 3%. A new 1Y Cap Percentage will apply to each new 1Y Segment created and will not change for the duration of that segment.

**1Y Segment Minimum Interest Rate** – The 1Y Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the 1Y Segment Duration as well as the 1Y Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**1Y Segment Date** - The 1Y Segment Date is the date a 1Y Segment is created. 1Y Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**1Y Segment Duration** - The 1Y Segment Duration is one year.

**1Y Segment Maturity Date** - The 1Y Segment Maturity Date is the date each 1Y Segment matures, which is at the end of a 1Y Segment Duration. Transfers out of this Indexed Account are not permitted on the 1Y Segment Maturity Date. Transfers out of this Indexed Account may only be made on 5Y Segment Maturity Dates.

**Five Year (5Y) Segment:**

**5Y Index Credits** - Amounts held in the Five Year and One Year Blend S&P 500 Indexed Account earn 5Y Index Credits on the 5Y Segment Maturity Date based on 5Y Index Performance. The 5Y Index Performance equals the growth in the S&P 500 Index during the 5Y Segment multiplied by the 5Y Participation Percentage, with a floor at the Compounded 1Y Segment Returns and a ceiling at the 5Y Cap Percentage.

At the 5Y Segment Maturity Date, the 5Y Index Credit is calculated. The 5Y Index Credit equals the total amount of 1Y segment minimum interest and 1Y Index Credits credited to the 5Y Segment for the just completed 5Y Segment Duration multiplied by the ratio of the 5Y Index Performance over the Compounded 1Y Segment Return, subtracting one from the ratio.

**5Y Participation Percentage** – The 5Y Participation Percentage is the percentage of the 5Y Index Performance that will be used to calculate the 5Y Index Credit, if any. The 5Y Participation Percentage is guaranteed not to be below 100%. A new 5Y Participation Percentage will apply to each new 5Y Segment created and will not change for the duration of that segment.

**5Y Cap Percentage** – The 5Y Cap Percentage is the maximum percentage of the 5Y Index Performance that will be used to calculate the 5Y Index Credit, if any. The 5Y Cap Percentage is guaranteed not to be below 15%. A new 5Y Cap Percentage will apply to each new 5Y Segment created and will not change for the duration of that segment.

**Compounded 1Y Segment Return** – The Compounded 1Y Segment Return will be used to calculate the 5Y Index Credit, if any. It also acts as a floor on the 5Y Index Performance. The Compounded 1Y Segment Return is equal to (a) multiplied by (b) multiplied by (c) multiplied by (d) multiplied by (e) where:

- (a) equals the 1Y Index Performance for the first year of the 5Y Segment plus 1
- (b) equals the 1Y Index Performance for the second year of the 5Y Segment plus 1
- (c) equals the 1Y Index Performance for the third year of the 5Y Segment plus 1
- (d) equals the 1Y Index Performance for the fourth year of the 5Y Segment plus 1
- (e) equals the 1Y Index Performance for the fifth year of the 5Y Segment plus 1

**5Y Segment Date** - The 5Y Segment Date is the date a 5Y Segment is created. 5Y Segments can only be created on monthly policy anniversary dates. No new 5Y Segments can be created less than five years prior to maturity.

**5Y Segment Duration** - The 5Y Segment Duration is five years.

**5Y Segment Maturity Date** – The 5Y Segment Maturity Date is the date each 5Y Segment matures, which is at the end of a 5Y Segment Duration. Transfers out of this Indexed Account may only be made on 5Y Segment Maturity Dates.



## **High Participation One Year Point to Point S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the High Participation One Year Point to Point S&P 500 Indexed Account.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the High Participation One Year Point to Point S&P 500 Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P 500 Index during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 3%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

Issue Age	Base Policy	Supplemental Term Insurance	Waiver of Surrender Charges
35	0.422	0.572	0.240
36	0.428	0.578	0.246
37	0.434	0.584	0.252
38	0.439	0.590	0.258
39	0.445	0.596	0.264
40	0.451	0.602	0.270
41	0.457	0.608	0.280
42	0.463	0.614	0.290
43	0.468	0.620	0.300
44	0.474	0.626	0.310
45	0.480	0.630	0.320
46	0.489	0.639	0.325
47	0.497	0.648	0.330
48	0.506	0.657	0.335
49	0.515	0.666	0.340
50	0.524	0.675	0.345
51	0.532	0.684	0.350
52	0.541	0.693	0.355
53	0.550	0.702	0.360
54	0.558	0.711	0.365
55	0.567	0.717	0.370
56	0.592	0.742	0.380
57	0.617	0.767	0.390
58	0.641	0.792	0.400
59	0.666	0.817	0.410
60	0.691	0.842	0.420
61	0.716	0.867	0.430
62	0.741	0.892	0.440
63	0.765	0.917	0.450
64	0.790	0.942	0.460
65	0.815	0.965	0.470
66	0.835	0.985	0.480
67	0.856	1.005	0.490
68	0.876	1.025	0.500
69	0.897	1.045	0.510
70	0.917	1.065	0.520
71	0.937	1.085	
72	0.956	1.105	
73	0.978	1.125	
74	0.999	1.145	

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

Issue Age	Base Policy	Supplemental Term Insurance	Waiver of Surrender Charges
75	1.019	1.169	
76	1.084	1.234	
77	1.150	1.299	
78	1.215	1.364	
79	1.281	1.429	
80	1.346	1.494	
81	1.411	1.559	
82	1.477	1.624	
83	1.542	1.689	
84	1.608	1.754	
85	1.673	1.823	

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
35	0.0908	0.0908	0.0233	0.1375
36	0.0958	0.0958	0.0242	0.1375
37	0.1000	0.1000	0.0258	0.1375
38	0.1075	0.1075	0.0283	0.1375
39	0.1142	0.1142	0.0300	0.1375
40	0.1217	0.1217	0.0325	
41	0.1317	0.1317	0.0358	
42	0.1441	0.1441	0.0392	
43	0.1584	0.1584	0.0425	
44	0.1750	0.1750	0.0467	
45	0.1942	0.1942	0.0508	
46	0.2125	0.2125	0.0567	
47	0.2328	0.2328	0.0642	
48	0.2442	0.2442	0.0742	
49	0.2576	0.2576	0.0850	
50	0.2767	0.2767	0.0992	
51	0.2993	0.2993	0.1167	
52	0.3301	0.3301	0.1392	
53	0.3635	0.3635	0.1683	
54	0.4060	0.4060	0.2042	
55	0.4585	0.4585	0.2467	
56	0.5119	0.5119	0.3092	
57	0.5695	0.2695	0.3842	
58	0.6187	0.6187	0.4717	
59	0.6755	0.6755	0.5750	
60	0.7439	0.7439	0.1483	
61	0.8274	0.8274	0.1483	
62	0.9292	0.9292	0.1483	
63	1.0436	1.0436	0.1483	
64	1.1639	1.1639	0.1483	
65	1.2908	1.2908		
66	1.4195	1.4195		
67	1.5499	1.5499		
68	1.6904	1.6904		
69	1.8359	1.8359		
70	2.0124	2.0124		
71	2.2099	2.2099		
72	2.4694	2.4694		
73	2.7433	2.7433		
74	3.0317	3.0317		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
75	3.3470	3.3470		
76	3.6911	3.6911		
77	4.0908	4.0908		
78	4.5582	4.5582		
79	5.0984	5.0984		
80	5.6880	5.6680		
81	6.3602	6.3602		
82	7.0612	7.0612		
83	7.8181	7.8181		
84	8.6576	8.6576		
85	6.5971	6.5971		
86	10.6404	10.6404		
87	11.7822	11.7822		
88	13.0087	13.0087		
89	14.3059	14.3059		
90	15.6632	15.6632		
91	16.9431	19.9431		
92	18.2807	18.2807		
93	19.6954	19.6954		
94	21.1940	21.1940		
95	22.7729	22.7729		
96	24.2220	24.2220		
97	25.7717	25.7717		
98	27.4307	27.4307		
99	29.2072	29.2072		
100	31.1139	31.1139		
101	32.3620	32.3620		
102	34.2545	34.2545		
103	35.9867	35.9867		
104	37.8360	37.8360		
105	39.7830	39.7830		
106	41.8611	41.8611		
107	44.0793	44.0793		
108	46.4474	46.4474		
109	48.9749	48.9749		
110	51.6712	51.6712		
111	54.5501	54.5501		
112	57.6228	57.6228		
113	60.9057	60.9057		
114	64.4101	64.4101		
115	68.1545	68.1545		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
116	72.1551	72.1551		
117	76.4311	76.4311		
118	81.0051	81.0051		
119	83.3333	83.3333		
120	83.3333	83.3333		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
35	0.0567	0.0908
36	0.0567	0.0958
37	0.0567	0.1000
38	0.0567	0.1075
39	0.0567	0.1142
40	0.0567	0.1217
41	0.0567	0.1317
42	0.0567	0.1442
43	0.0575	0.1584
44	0.0583	0.1750
45	0.0592	0.1942
46	0.0592	0.2125
47	0.0600	0.2326
48	0.0608	0.2442
49	0.0617	0.2576
50	0.0617	0.2767
51	0.0625	0.2993
52	0.0633	0.3301
53	0.0642	0.3635
54	0.0650	0.4060
55	0.0667	0.4585
56	0.0683	0.5119
57	0.0692	0.5695
58	0.0717	0.6187
59	0.0733	0.6755
60	0.0758	0.7439
61	0.0783	0.8274
62	0.0817	0.9292
63	0.0850	1.0436
64	0.0892	1.1639
65	0.0925	1.2908
66	0.0967	1.4195
67	0.1017	1.5499
68	0.1058	1.6904
69	0.1108	1.8359
70		2.0124
71		2.2099
72		2.4694
73		2.7433

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
74		3.0317
75		3.3470
76		3.6911
77		4.0908
78		4.5582
79		5.0984
80		5.6880
81		6.3602
82		7.0612
83		7.8181
84		8.6576
85		9.5971
86		10.6404
87		11.7822
88		13.0087
89		14.3059
90		15.6632
91		16.9431
92		18.2807
93		19.6954
94		21.1940
95		22.7729
96		24.2220
97		25.7717
98		27.4307
99		29.2072
100		31.1139
101		32.6320
102		34.2545
103		35.9867
104		37.8360
105		39.7830
106		41.8611
107		44.0793
108		46.4474
109		48.9749
110		51.6712
111		54.5501
112		57.6228
113		60.9057
114		64.4101

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount



# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
115		68.1545
116		72.1551
117		76.4311
118		81.0051
119		83.3333
120		83.3333

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Additional Insured Term Insurance	Additional Insured Term Insurance (for the Waiver of Monthly Deductions)
35	0.0742	0.0108
36	0.0792	0.0108
37	0.0858	0.0108
38	0.0892	0.0117
39	0.0942	0.0125
40	0.1000	0.0125
41	0.1058	0.0133
42	0.1125	0.0142
43	0.1208	0.0158
44	0.1309	0.0167
45	0.1425	0.0183
46	0.1559	0.0200
47	0.1725	0.0225
48	0.1909	0.0250
49	0.2109	0.0292
50	0.2342	0.0333
51	0.2601	0.0392
52	0.2893	0.0467
53	0.3209	0.0567
54	0.3543	0.0683
55	0.3902	0.0833
56	0.4319	0.1008
57	0.4752	0.1208
58	0.5219	0.1425
59	0.5687	0.1675
60	0.6170	0.1075
61	0.6696	0.1183
62	0.7272	0.1300
63	0.7865	0.1358
64	0.8507	0.1492
65	0.9217	0.1608
66	1.0002	0.1625
67	1.0862	0.1617
68	1.1822	0.1308
69	1.2875	0.0733
70	1.4036	0.1075

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Additional Insured Term Insurance	Additional Insured Term Insurance (for the Waiver of Monthly Deductions)
71	1.5374	0.1183
72	1.6870	0.1300
73	1.8492	0.1358
74	2.0274	0.1492
75	2.2249	0.1608
76	2.4418	0.1625
77	2.6805	0.1617
78	2.9445	0.1308
79	3.2296	0.0733

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

## Table of Death Benefit Factors

Attained Age	Factor
0-40	2.50
41	2.43
42	2.36
43	2.29
44	2.22
45	2.15
46	2.09
47	2.03
48	1.97
49	1.91
50	1.85
51	1.78
52	1.71
53	1.64
54	1.57
55	1.50
56	1.46
57	1.42
58	1.38
59	1.34
60	1.30
61	1.28
62	1.26
63	1.24
64	1.22
65	1.20
66	1.19
67	1.18
68	1.17
69	1.16
70	1.15

Policy Number 88888888  
Product Filing Name  
William Penn  
Age 35 Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

## Table of Death Benefit Factors

Attained Age	Factor
71	1.13
72	1.11
73	1.09
74	1.07
75-90	1.05
91	1.04
92	1.03
93	1.02
94-95	1.01
96-120	1.001

Policy Number 88888888  
Product Filing Name  
William Penn  
Age 35 Non-Tobacco  
\$100,000 Specified Amount

To obtain any of the benefits under this policy, write to the Company at its Home Office or to its nearest agent.

Please notify the Company promptly of any change in address.

**ANNUAL ELECTION** — Penn Mutual is a mutual life insurance company. It has no stockholders. The Owner of this policy is a member of Penn Mutual while this policy is in force during the life of the Insured and before surrender of this policy. Members have the right to vote in person or by proxy at the annual election of Trustees held at the Home Office, on the first Tuesday of March. If more information is desired, it may be obtained from the Secretary.

Policyholder Service Office of Company The Penn Mutual Life Insurance Company

Address Mail Code C2L,  
Philadelphia, PA 19172  
Telephone # 1-800-523-0650

Name of Agent \_\_\_\_\_

Address \_\_\_\_\_

Telephone # \_\_\_\_\_

If we at The Penn Mutual Life Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department

1200 West Third Street  
Little Rock, AR 72201  
(800)852-5494 or (501)371-2640

**Flexible Premium Adjustable  
Indexed Life Insurance Policy**

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Indexed Account Feature
- Participating
- Supplemental benefits, if any, listed on Page 3

# Rider - Overloan Protection Benefit

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of the Policy and this rider, to provide the Overloan Protection Benefit described below.

This rider is a part of the Policy to which it is attached. It is subject to all of the provisions of the Policy unless stated otherwise in this rider.

**Overloan Protection Benefit** - This rider will prevent the policy from lapsing when, on any Monthly Anniversary, the outstanding Policy Debt on the policy equals or exceeds (a) multiplied by (b), where:

- (a) is the Cash Surrender Value minus the Monthly Deduction from the previous Monthly Anniversary; and
- (b) is the Specified Loan Percentage shown on the Policy Specifications Page.

If the above occurs, the policy will automatically become paid-up life insurance. The new Specified Amount of the Policy will be equal to the Policy Value, adjusted for a one-time Charge, multiplied by an attained age factor shown in the Table of Death Benefit Factors.

There are no cash values or loan values associated with this rider.

**Conditions** - This benefit is subject to the following conditions:

- (a) The Insured's attained age is the Overloan Protection Benefit Minimum Age shown on Page 3 or older;
- (b) The Policy has been in force for the Overloan Protection Benefit Minimum Years shown on Page 3;
- (c) The Life Insurance Qualification test is the Guideline Premium Test; and
- (d) The Amounts that may be withdrawn from the policy without the imposition of federal income tax must be taken as partial withdrawals. At the time the Overloan Protection Benefit is exercised, any remaining amount that can be withdrawn from the policy without the imposition of federal income tax will be automatically taken as a partial withdrawal and be used to repay Policy Debt. If there is insufficient Cash Surrender Value available to take the entire partial withdrawal, no partial withdrawal will be taken and the benefit will not be exercised.

**Charges** - The one time Charge for this rider is applied against the Policy Value when the benefit is exercised. This charge is shown on the Policy Specifications Page.

**Impact of Policy Rider** - When the benefit described in this rider is exercised, the following changes will be made to the Policy:

- (a) All Account values not in the Fixed Account will be transferred to the Fixed Account and will be credited with interest;
- (b) If the Policy has an Increasing Death Benefit Option, it will be changed to a Level Death Benefit Option;
- (c) If the current loan option is the Indexed Loan Option, it will be changed to the Traditional Loan Option;
- (d) Any outstanding Policy Debt will remain and interest will continue to be applied to the Policy Debt and credited to the Policy Loan Account;
- (e) No further Monthly Deductions will be taken;
- (f) No additional premium payments, partial surrenders, or policy loans will be allowed;
- (g) No further changes can be made to the policy;
- (h) All Supplemental Agreements or Riders attached to this policy will be terminated;

- (i) The new Death Benefit upon the date of death of the insured will be the greater of (i) or (ii), where:
  - (i) The Specified Amount of the paid-up life insurance; or
  - (ii) The appropriate attained age factor shown on the Policy Specifications Page multiplied by the greater of the Policy Value or the outstanding Policy Debt.

Once the benefit is exercised, you will be notified of the changes to the Policy.

**Termination of Rider** - This rider will terminate upon:

- (a) Lapse, surrender, or maturity of this policy; or
- (b) Date of death of the Insured; or
- (c) Date immediately following the exercise of this benefit where a policy loan causes outstanding Policy Debt which equals or exceeds (i) multiplied by (ii) where:
  - (i) is the Cash Surrender Value minus the Monthly Deduction from the previous Monthly Anniversary; and
  - (ii) is the Specified Loan Percentage shown on the Policy Specifications Page; or
- (d) the Monthly Anniversary which coincides with or next follows our receipt of a written request to terminate this rider.

**Reinstatement** - This rider may not be reinstated after lapse.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box.

President and Chief Executive Officer



# Rider - Children's Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this supplemental rider, to provide the Children's Term Insurance Benefit. The amount of the Children's Term Insurance Benefit is the Specified Amount for the Children's Term Insurance Rider as shown in the Schedule of Benefits on Page 3. We also agree to provide all of the other benefits which are stated in this rider.

This supplemental rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Children's Term Insurance Benefit** - We will pay, upon receipt of due proof of the death of an Insured Child while this rider is in force, a death benefit in an amount equal to the Specified Amount of this rider. The death benefit will be paid to the beneficiary of such benefit in one sum or, if elected, under an income payment option. We will pay interest on this sum from the date of death to the date of payment. We will determine the interest rate each year, but it will not be less than the interest rate used in the base policy per year compounded annually.

There are no cash values or loan values associated with this rider.

**Suicide Exclusion** - If an Insured Child dies by suicide, while sane or insane, within two years from the effective date of that child's coverage under this rider, the death benefit with respect to such death will be limited to the premiums paid for this rider for the period that such coverage was in effect.

If an Insured Child dies by suicide, while sane or insane, within two years from the effective date of an increase in the Specified Amount under this rider, the death benefit with respect to that increase will be limited to the premiums paid for that increase.

**Insured Child** - Insured Child means a natural child, a stepchild or a legally adopted child of the Insured who is at least 15 days and not more than 23 years of age and who:

- (a) is named in the application for this rider and who, on the date of the application, is less than 18 years of age; or
- (b) is born to the Insured after the date of the application for this rider; or
- (c) after the date of the application for this rider and prior to attaining the age of 18 years, is legally adopted by the Insured.

**Child's Beneficiary** - The beneficiary of each Insured Child under this rider is the Insured, if living. Otherwise, the beneficiary is the Insured's executors or administrators unless otherwise provided.

**Conversion of Insurance on Insured Child** - On the anniversary of this policy nearest an Insured Child's 23rd birthday, the term insurance then in force under this rider on the life of such Insured Child may be converted without evidence of insurability to a new policy. You must make a written request for the conversion. The first premium for the new policy must be paid on or before the date of conversion.

The new policy will be:

- (a) for an amount not exceeding five times the Specified Amount under this rider;

- (b) on a plan which insures only the life of the Insured Child;
- (c) incontestable from its date of issue;
- (d) on the policy form and at the premium rates we use on the date of the conversion; and
- (e) subject to our rules as to minimum amount, plan of insurance and age at issue which are in effect on the date of conversion.

The inclusion of any supplemental agreements or riders in the new policy will be subject to our consent and must comply with our rules.

**Death of Insured** - If the death of the Insured under this policy occurs while this rider is in force, the term insurance on each Insured Child covered by this rider will continue in force until the anniversary of this policy nearest the Insured Child's 23rd birthday. The premiums for such term insurance will be waived.

**Incontestability** - An Insured Child's coverage under this rider will be incontestable after it has been in force during the life of such Insured Child for two years from the effective date of such coverage, except for fraud in the procurement of the rider, when permitted by applicable law.

**Monthly Deduction** - While this rider is in force, the Monthly Deduction under this policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is a monthly expense charge. The guaranteed monthly expense charge as shown on Page 3 is for each \$1,000 of Specified Amount for an Insured Child. If the Specified Amount for an Insured Child has been increased, a monthly expense charge per \$1,000 will be assessed on the amount of the increase. We may use current charges that are lower than the guaranteed charges.

**Termination of Insured Child's Coverage** - The coverage of an Insured Child under this rider will terminate:

- (a) on the anniversary of this policy which is nearest to the Insured Child's 23rd birthday; or
- (b) upon termination of this rider.

**Termination of Rider** - This rider will terminate upon:

- (a) lapse of this policy;
- (b) surrender of this policy;
- (c) the maturity date of this policy; or
- (d) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell". The signature is enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider – Surrender Benefit Enhancement

In this Rider, “We”, “Us”, or “Our” means The Penn Mutual Life Insurance Company; “You” and “Your” means the Owner of the Policy; and “Insured” means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide this Surrender Benefit Enhancement. We also agree to provide all of the other benefits which are stated in this rider. This rider is a part of the Policy to which it is attached. It is subject to all of the provisions of the Policy unless stated otherwise in this rider.

**Surrender Benefit Enhancement (SBE)** - The surrender benefit of the Policy to which this rider is attached will be based on the SBE. The surrender benefit will be such that the Net Cash Surrender Value available upon full surrender of the Policy will be no less than the SBE. The SBE is only available upon full surrender where you are paid the Net Cash Surrender Value. The SBE will be equal to:

- (1) If there is not any Policy Debt on the Policy:
  - (a) In the first 3 policy years, the greater of:
    - (i) the Net Policy Value on the date of full surrender, and
    - (ii) the sum of all premiums paid minus the sum of all previous partial withdrawals to the date of full surrender.
  - (b) For policy year 4 through the policy year in which the surrender charge factors as shown on Page 3 are greater than zero, the Net Policy Value on the date of full surrender.

and:

- (2) If there is any Policy Debt on the Policy, for policy year 1 through the policy year in which the surrender charge factors as shown on Page 3 are greater than zero, the Net Policy Value on the date of full surrender.

During the years in which the SBE equals the Net Policy Value, the SBE will be used in determining whether the Policy will begin a grace period due to the Net Cash Surrender Value being insufficient to cover the Monthly Deduction for the following policy month.

**Monthly Deduction** - While this rider is in-force, the Monthly Deduction for the Policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of:

- (a) a monthly expense charge per \$1,000 of the initial Specified Amount of the Policy plus any Term Insurance Benefit of a Supplemental Term Insurance Rider; and
- (b) a monthly expense charge per \$1,000 of the Specified Amount of any increases in coverage for the Policy or Term Insurance Benefit.

The initial per \$1,000 of Specified Amount expense charge will be deducted each policy year, starting from the effective date of this rider, in which the surrender charge factors as shown on Page 3 are greater than zero.

The per \$1,000 of Specified Amount expense charge for any increases will be deducted each year, starting from the effective date of the increase, in which the surrender charge factors as shown on Page 3 are greater than zero.

We will determine the expense charges based on expectations as to future mortality, investment, expense, and persistency experience. We will not adjust such charges as a means of recovering prior losses or as a means of distributing prior profits. However, the actual expense charges for each coverage will not exceed the maximum monthly expense charges as shown on Page 3.

**Termination of Rider** - This rider will terminate upon:

- (a) termination of the policy due to death;
- (b) lapse of this Policy;
- (c) surrender of this Policy;
- (d) the maturity date of this Policy;
- (e) the anniversary date occurring 9 years after the Policy Date of this Policy; or
- (f) the Monthly Anniversary which coincides with or next follows our receipt of your written request to terminate this rider.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive, flowing style.

President and Chief Executive Officer

# Rider - Waiver of Surrender Charges

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide this Waiver of Surrender Charges Benefit. We also agree to provide all of the other benefits which are stated in this rider. This rider is a part of the Policy to which it is attached. It is subject to all of the provisions of the Policy unless stated otherwise in this rider.

**Waiver of Surrender Charges Benefit (WSCB)** - The surrender benefit of the Policy to which this rider is attached will be based on the WSCB. The surrender benefit will be such that the Net Cash Surrender Value available upon full surrender of the Policy will be no less than the WSCB. The WSCB is only available upon full surrender where you are paid the Net Cash Surrender Value. The WSCB will be equal to the Net Policy Value on the date of full surrender.

The WSCB will be used in determining whether the Policy will begin a grace period due to the Net Cash Surrender Value being insufficient to cover the Monthly Deduction for the following policy month.

**Monthly Deduction** - While this rider is in-force, the Monthly Deduction for the Policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of:

- (a) a monthly expense charge per \$1,000 of the initial Specified Amount of the Policy plus any Term Insurance Benefit of a Supplemental Term Insurance Rider; and
- (b) a monthly expense charge per \$1,000 of the Specified Amount of any increases in coverage for the Policy or Term Insurance Benefit.

The initial per \$1,000 of Specified Amount expense charge will be deducted each policy year, starting from the effective date of this rider, in which the surrender charge factors as shown on Page 3 are greater than zero.

The per \$1,000 of Specified Amount expense charge for any increases will be deducted each year, starting from the effective date of the increase, in which the surrender charge factors as shown on Page 3 are greater than zero.

We will determine the expense charges based on expectations as to future mortality, investment, expense, and persistency experience. We will not adjust such charges as a means of recovering prior losses or as a means of distributing prior profits. However, the actual expense charges for each coverage will not exceed the maximum monthly expense charges as shown on Page 3.

**Termination of Rider** - This rider will terminate upon:

- (a) termination of the policy due to death;
- (b) lapse of this Policy;
- (c) surrender of this Policy;
- (d) the maturity date of this Policy; or
- (e) the Monthly Anniversary which coincides with or next follows our receipt of your written request to terminate this rider.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive style.

President and Chief Executive Officer

# Rider - Supplemental Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of the Policy and this rider, to provide this Term Insurance Benefit. We also agree to provide all of the other benefits which are stated in this rider. This rider is a part of the Policy to which it is attached. It is subject to all of the provisions of the Policy unless stated otherwise in this rider.

**Term Insurance Benefit** - The amount of the Term Insurance Benefit provided under this rider is shown on Page 3.

There are no cash values or loan values associated with this rider.

**Basic Death Benefit** - The Basic Death Benefit of the Policy to which this rider is attached is modified to include the Term Insurance Benefit under this rider as follows:

- (a) If the policy has a **Level Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (1) the Specified Amount of the Policy plus the Term Insurance Benefit; or
  - (2) the Policy Value multiplied by an attained age factor shown in the Table of Death Benefit Factors.
- (b) If the policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (1) the Specified Amount of the Policy plus the Term Insurance Benefit plus the Policy Value; or
  - (2) the Policy Value multiplied by an attained age factor shown in the Table of Death Benefit Factors.

**Suicide Exclusion** - If the Insured dies by suicide, while sane or insane, within two years from the effective date of this rider, the Term Insurance Benefit will be limited to the Monthly Deductions associated with such benefit.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Term Insurance Benefit, the Term Insurance Benefit with respect to that increase will be limited to the Monthly Deductions for that increase.

**Change in Amount of Coverage** - The Term Insurance Benefit may be changed subject to the following conditions:

- (a) Any change in coverage must be at least the minimum amount as shown on Page 3;
- (b) Any request for an increase must be applied for on a written application that we have provided. Evidence of insurability satisfactory to us must be provided;
- (c) Any decrease will successively decrease, in reverse order, the most recent increases, if any.

**Monthly Deductions** - While this rider is in force, the Monthly Deduction under the Policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of:

- (a) the monthly expense charge per \$1,000 of the original Term Insurance Benefit;
- (b) the monthly expense charge per \$1,000 of any increases in the Term Insurance Benefit; and,
- (c) the Cost of Insurance for the Term Insurance Benefit under this rider.



We will determine the monthly expense per \$1,000 charges for this rider based on expectations as to future mortality, investment, expense, and persistency experience. We will not adjust such charges as a means of recovering prior losses or as a means of distributing prior profits. The rates will not exceed the maximum expense charges as shown on the Page 3.

**Cost of Insurance** - The Cost of Insurance for the Policy will take into account the Term Insurance Benefit. The Cost of Insurance is determined separately for the initial Specified Amount and Term Insurance Benefit and for any increases. The total Cost of Insurance for a policy month is calculated as the sum of (a) plus (b) where:

- (a) is the Cost of Insurance for the initial coverage and additional coverages; and
- (b) is the Cost of Insurance for the Term Insurance Benefit under this rider.

The Cost of Insurance for a policy month for the initial and additional coverages under this Policy is equal to (c) multiplied by (d) where:

- (c) is the applicable Cost of Insurance Rate for the Policy divided by 1,000; and
- (d) is the Net Amount at Risk attributed to the initial and additional coverage.

The Cost of Insurance for a policy month for the Term Insurance Benefit under this rider is equal to (e) multiplied by (f) where:

- (e) is the applicable Cost of Insurance Rate for the Term Insurance Benefit divided by 1,000; and
- (f) is the Net Amount at Risk attributed to the Term Insurance Benefit.

If the policy has a **Level Death Benefit Option**, as shown on Page 3, the Net Amount at Risk attributed to the initial coverage is calculated as (g) minus (h) where:

- (g) is the Specified Amount divided by the Death Benefit Discount Factor; and
- (h) is the Policy Value allocated to the Specified Amount at the beginning of the policy month before the Monthly Deduction is due.

If the policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Net Amount at Risk attributed to the initial coverage is calculated as (i) minus (j) where:

- (i) is the Specified Amount plus the Policy Value divided by the Death Benefit Discount Factor; and
- (j) is the Policy Value allocated to the Specified Amount at the beginning of the policy month before the Monthly Deduction is due.

The Net Amount at Risk attributed to the Term Insurance Benefit is calculated as (k) minus (l) where:

- (k) is the Term Insurance Benefit divided by the Death Benefit Discount Factor; and
- (l) is the Policy Value allocated to the Term Insurance Benefit at the beginning of the policy month before the Monthly Deduction is due.

For purposes of determining the allocation of Net Amount at Risk between the Specified Amount and the Term Insurance Benefit, the Policy Value will be allocated as follows:

- (i) first to the initial Specified Amount coverage,

- (ii) then to any coverages resulting from increases in the Specified Amount in the order of the increases,
- (iii) then to the initial Term Insurance Benefit coverage, and
- (iv) then to any coverages resulting from increases in the Term Insurance Benefit in the order of the increases.

Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

**Cost of Insurance Rate** - The Cost of Insurance Rate for the initial Term Insurance Benefit is based on policy year and on the attained age, sex, and rate class of the Insured. The Cost of Insurance Rate for any coverage resulting from an increase in the Term Insurance Benefit will be based on the policy duration since the effective date of the increase. It will also be based on the attained age, sex, and rate class of the Insured on the effective date of the increase. We will determine current monthly Cost of Insurance Rates based on expectations as to future mortality, investment, expense, and persistency experience. However, these rates will not exceed those shown for this rider in the Additional Policy Specifications.

**Surrender Charge** - The Surrender Charge for the Policy to which this rider is attached is modified for the Term Insurance Benefit under this rider. The Maximum Surrender Charge Premium as shown on Page 3 will be based on the Term Insurance Benefit in addition to the initial Specified Amount. The per thousand factor as shown on Page 3 will be applied to the sum of the initial Specified Amount plus the initial Term Insurance Benefit.

For an equal increase in the Term Insurance Benefit and Specified Amount of the Policy, the Surrender Charge for the increase is modified to account for the increase in the Term Insurance Benefit. The maximum surrender charge premium will be based the Term Insurance Benefit in addition to the Specified Amount of the Policy. The per thousand factor as shown on Page 3 will be applied to the amount of the increase in the Specified Amount of the Policy plus the increase in the Term Insurance Benefit.

The surrender charge for each increase in the Term Insurance Benefit without an equal increase in Specified Amount in the Policy is based on the amount of the increase and on the attained age of the Insured at the time of the increase. The surrender charge for each increase in the Term Insurance Benefit is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the effective date of the increase; and
- (b) is 90% of the lesser of:
  - (i) the total premium paid with the increase during the 12 months after the date of the increase;
  - (ii) the Maximum Surrender Charge Premium as determined at the effective date of the increase based on the attained age, sex, and rate class of the Insured; and
  - (iii) the per thousand of the increase amount premium shown on Page 3.

A surrender charge will be deducted from the Policy Value upon a decrease in the Term Insurance Benefit in the first five policy years. The charge is based on a proportional amount of the decreased amount of the coverage decreased. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.

**Policy Value Enhancement** – After the policy reaches the date as shown on Page 3, a monthly Policy Value Enhancement will be paid on subsequent monthly anniversaries. This is on top of any enhancement in the Policy. The Enhancement is guaranteed at the rate shown on Page 3 multiplied by (a) divided by (b), where:

- (a) is the Term Insurance Benefit, and
- (b) is the sum of the Term Insurance Benefit and the Specified Amount.

The Enhancement is based on Net Policy Value. Any enhancements will be applied on a pro-rata basis in proportion to the current net value of each account.

**Misstatement of Age or Sex** - If the age or the sex of the Insured has been misstated, the Term Insurance Benefit will be the amount that would have been provided by the most recent Cost of Insurance charge at the correct age and sex. No adjustment in the Policy Value will be made.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from the Effective Date, except for fraud in the procurement of the rider, when permitted by applicable law. Any increase in the Term Insurance Benefit will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

**Termination of Rider** - This rider will terminate upon:

- (a) the Termination Date for this rider shown on Page 3; or
- (b) lapse of this Policy; or
- (c) surrender of this Policy; or
- (d) the maturity date of this Policy; or
- (e) the date of death of the Insured; or
- (f) the Monthly Anniversary which coincides with or next follows our receipt of a written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive, flowing style.

President and Chief Executive Officer

# Rider - Accidental Death Benefit

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this supplemental rider, to provide the Accidental Death Benefit.

This supplemental rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Accidental Death Benefit** - The Accidental Death Benefit will be payable upon our receipt of due proof that:

- (a) the Insured has died due to an accidental bodily injury that occurred while this rider was in force;
- (b) the accidental death occurred within 180 days following the date of the accidental bodily injury;
- (c) the accidental bodily injury was sustained prior to the anniversary of this policy which is nearest to the Insured's 70th birthday; and
- (d) if this rider was issued prior to the Insured's first birthday, the accidental bodily injury was sustained on or after the anniversary of this policy which is nearest to the Insured's first birthday.

Accidental bodily injury means an injury sustained by the insured which is a direct result of an accident, independent of disease or bodily or mental illness or infirmity or any other cause, and which occurs while the rider is in force.

The amount of the Accidental Death Benefit is shown on Page 3. This amount will be doubled if due proof is furnished that the injury which resulted in the death of the Insured was sustained while the Insured was riding as a fare-paying passenger on a public conveyance.

We will have the right and the opportunity to examine the body. Unless prohibited by law, we may have an autopsy performed at our own expense.

The amount of the Accidental Death Benefit will be included in the Death Benefit of this policy and will be paid as part of that Death Benefit.

There are no cash values or loan values associated with this rider.

**Risks Not Assumed** - The Accidental Death Benefit will not be payable if the death of the Insured is the result, directly or indirectly, of:

- (a) disease or infirmity of mind or body, or medical or surgical treatment for such disease or infirmity;
- (b) an infection not occurring as a direct result or consequence of the accidental bodily injury;
- (c) the voluntary intake or use by any means of any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions;
- (d) the voluntary intake or use by any means of poison, gas or fumes, unless a direct result of an occupational accident;
- (e) intoxication as defined by the jurisdiction where the accident occurred;
- (f) riding or driving an air, land or water vehicle in a race, speed or endurance contest;
- (g) bungee jumping;
- (h) rock or mountain climbing;
- (i) aeronautics (hang-gliding, skydiving, parachuting, ultralight, soaring, ballooning and parasailing);
- (j) suicide, or intentionally self-inflicted injury, of the Insured, while sane or insane;
- (k) the commission or attempted commission by the Insured of a felony;

- (l) participation in an illegal occupation or activity
- (m) active participation in a riot, insurrection or terrorist activity;
- (n) travel or flight in or descent from an aircraft of any kind (i) while the Insured is a pilot, officer or member of the crew of the aircraft, (ii) while the Insured is giving or receiving training or instruction aboard the aircraft, or (iii) while the Insured has duty aboard the aircraft or has duty which requires descent from the aircraft;
- (o) travel in an aircraft or device used for testing or experimental purposes, used by or for any military authority, or used for travel beyond the earth's atmosphere;
- (p) war or act of war, if the cause of death occurs while the Insured is serving in the military, naval or air forces of any country, combination of countries or international organization, provided such death occurs while in such forces or within six months after termination of service in such forces; or
- (q) special hazards incident to service in the military, naval or air forces of any country, combination of countries or international organization, if the cause of death occurs while the Insured is serving in such forces and is outside the home area, provided such death occurs outside the home area or within six months after the Insured's return to the home area or area in such forces or within six months after the termination of service in such forces, whichever is earlier.

"Home area" is defined to include the 50 states of the United States and its territories, the District of Columbia and Canada. "War" includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. "Act of war" means any act peculiar to military, naval or air operations in time of war.

**Cost of Insurance** - The Cost of Insurance for the Accidental Death Benefit is determined on a monthly basis. It is determined separately for each increase in the amount of Accidental Death Benefit. The Cost of Insurance for a policy month is calculated as (a) multiplied by (b), where:

- (a) is the Cost of Insurance Rate for this benefit; and
- (b) is the amount of Accidental Death Benefit.

The Cost of Insurance Rate for this benefit is based on the attained age, sex and rate class of the Insured. We will determine Cost of Insurance Rates based on expectations as to future experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the rider, when permitted by applicable law.

**Termination** - This rider will terminate upon:

- (a) the anniversary of this policy which is nearest to the Insured's 70th birthday;
- (b) lapse of this policy;
- (c) the date of the death of the Insured;
- (d) surrender of this policy;
- (e) expiry of this policy; or
- (f) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell". The signature is enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider - Disability Waiver of Stipulated Premium

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Waiver of Monthly Deductions Benefit and to provide the Deposit of Stipulated Premium Benefit.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

This rider provides for the waiver of the Monthly Deductions for this policy and the monthly deposit of the Stipulated Premium to this policy. The Monthly Deductions will be waived and the Stipulated Premium will be deposited as stated below upon our receipt of due proof of the total disability of the Insured and due proof that the total disability:

- (a) began while this rider was in force prior to the anniversary of this policy which is nearest to the Insured's 65th birthday;
- (b) has continued without interruption for four months during the life of the Insured; and
- (c) if this rider was issued prior to the Insured's age five, began on or after the anniversary of this policy which is nearest to the Insured's fifth birthday.

There are no cash values or loan values associated with this rider.

**Waiver of Monthly Deductions Benefit** - The Monthly Deductions will be waived as follows:

- (1) If the total disability of the Insured begins prior to the anniversary of this policy which is nearest to the Insured's 60th birthday, the Monthly Deductions will be waived during the continuance of the total disability.
- (2) If the total disability of the Insured begins on or after the anniversary of this policy which is nearest to the Insured's 60th birthday, the Monthly Deductions will be waived during the continuance of the total disability until the policy anniversary nearest to the Insured's 65th birthday or, if longer, during the first two years after the date that the disability begins

Monthly Deductions after the date that the total disability of the Insured begins but before it has continued for four months will be deducted from the Policy Value as stated in this policy. If Monthly Deductions are waived because of the total disability of the Insured, Monthly Deductions for the period beyond the end of the policy month in which that disability began will be credited to the Policy Value. However, no Monthly Deductions for a period more than one year prior to the time that we are given the notice of claim at our Home Office will be waived or credited to the Policy Value unless it is shown that the notice of claim was given as soon as was reasonably possible.

If the total disability of the Insured begins during a grace period, we must be paid a premium sufficient to cover the Monthly Deductions for the grace period before any Monthly Deductions will be waived.

Monthly Deductions waived by this rider shall not be taken from the policy proceeds.

An application to increase the Specified Amount of the Policy will be deemed to be an application to increase the benefit provided by this rider.

**Deposit of Stipulated Premium Benefit** - The amount of the Deposit of Stipulated Premium Benefit will be the Stipulated Premium shown on Page 3 of the policy. The Stipulated Premium may be increased only if (i) the Specified Amount has been increased in accordance with the provisions of the Policy Changes section of this policy, and (ii) evidence of insurability satisfactory to us has been submitted. Any increase in the Stipulated Premium must be at least equal to our then current minimum. The Stipulated Premium will be decreased if the Specified Amount is decreased in accordance with the provisions of the Policy Changes section of this policy.

The Stipulated Premium will be deposited to the policy as follows:

- (1) If the total disability of the Insured begins prior to the anniversary of this policy which is nearest to the Insured's 60th birthday, the Stipulated Premium will be deposited each month during the continuance of the total disability until the policy anniversary nearest to the Insured's 70th birthday.
- (2) If the total disability of the Insured begins on or after the anniversary of this policy which is nearest to the Insured's 60th birthday, the Stipulated Premium will be deposited each month during the continuance of the total disability until the policy anniversary nearest to the Insured's 65th birthday or, if longer, during the first two years after the date that the disability begins.

Beginning with the first day of the policy month which is coincident with or next following the date that the total disability begins and before we approve a claim for Waiver of Stipulated Premium, Stipulated Premium Benefits will be deposited in one sum at the time that the disability claim is approved. However, no benefits will be deposited for a period which is more than one year prior to the time that we are given the notice of claim at our Home Office unless it is shown that the notice of claim was given as soon as was reasonably possible.

**Total Disability Defined** - As used in this rider, total disability of the Insured means an incapacity of the Insured which:

- (a) results from bodily injury or disease; and
- (b) (1) during the first 24 months of total disability, the insured is unable to perform the substantial and material duties of their job due to sickness or accidental bodily injury; and  
(2) after the first 24 months of total disability, the insured, due to sickness or accidental bodily injury, is unable to perform any of the substantial and material duties of any job for which they become reasonably suited by education, training or experience.

The total and irrecoverable loss by the Insured of any of the following will be considered to be total disability even though the Insured may be able to work at an occupation:

- (a) the sight of both eyes;
- (b) the use of both hands or of both feet;
- (c) the use of one hand and one foot;
- (d) speech; or
- (e) hearing of both ears.

**Risks Not Assumed** - Monthly Deductions will not be waived and Stipulated Premium will not be deposited if the total disability of the Insured results from:

- (a) any attempt at suicide, or intentionally self-inflicted injury, while sane or insane;
- (b) war or an act of war while the Insured is in the military, naval or air force of any country, group of countries or international organization;
- (c) active participation in a riot, insurrection or terrorist activity;
- (d) committing or attempting to commit a felony;
- (e) voluntary intake or use by any means of any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions;



- (f) voluntary intake or use by any means of poison, gas or fumes, unless a direct result of an occupational accident;
- (g) intoxication as defined by the jurisdiction where the disability occurred; or
- (h) participation in an illegal occupation or activity.

The term "war", as used above, includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. "Act of war" means any act peculiar to military, naval or air operations in time of war.

**Notice of Claim and Proof of Total Disability** - Monthly Deductions will be waived and Stipulated Premium will be deposited only if we are given a written notice of claim and due proof of the total disability of the Insured at our Home Office. The notice and the proof must be given:

- (a) during the life of the Insured and during the continuance of the disability; and
- (b) not more than one year after the time that this rider terminates.

The failure to give the notice and the proof will not invalidate or reduce a claim if it is shown that the notice and the proof were given as soon as was reasonably possible.

We may require due proof of the continuance of the total disability of the Insured. At reasonable intervals, but not more frequently than once every 30 days, a medical examination of the Insured by a medical examiner who we have named may be required. Any such examination will be at our expense. Such proof or examination will not be required more often than once a year after the total disability of the Insured has continued for two years. The failure to give such proof or to submit to such examinations will cause the benefits under this rider to cease.

If the Insured is totally disabled on the anniversary of this policy which is nearest to the insured's 65th birthday and if the benefits have been provided under this rider for the five years prior to that anniversary, no further proof will be required.

**Cost of Insurance** - The Cost of Insurance for the Waiver of Monthly Deductions Benefit is determined on a monthly basis. The Cost of Insurance for a policy month is calculated as (a) multiplied by the result of (b) minus (c), where:

- (a) is the Cost of Insurance Rate for the Waiver of Monthly Deductions Benefit;
- (b) is the Basic Death Benefit under this policy at the beginning of the policy month divided by the Death Benefit Discount Factor of this policy; and
- (c) is the Policy Value of this policy at the beginning of the policy month.

The Cost of Insurance for the Deposit of Stipulated Premium Benefit is determined on a monthly basis. The Cost of Insurance for a policy month is calculated as (a) multiplied by (b) where

- (a) is the Cost of Insurance Rate for the Deposit of Stipulated Premium Benefit; and
- (b) is the Stipulated Premium shown on Page 3.

The Cost of Insurance Rate for the Waiver of Monthly Deductions Benefit and the Deposit of Stipulated Premium Benefit are based on the attained age, sex and rate class of the Insured. We will determine Cost of Insurance Rates based on expectations as to future experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

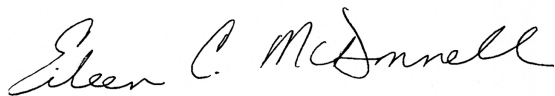
**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from its effective date except as to total disability of the Insured which begins prior to the end of such two year period and except for fraud in the procurement of the rider, when permitted by applicable law.

**Termination** - This rider will terminate upon:

- (a) the anniversary of this policy which is nearest to the Insured's 65th birthday; provided that such termination will not affect any benefit which is payable because of a total disability of the Insured which began prior to that anniversary;
- (b) lapse of this policy;
- (c) the date of the death of the Insured;
- (d) surrender of this policy;
- (e) expiry of this policy; or
- (f) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in cursive script, reading "Eileen C. McDonnell", enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider - Disability Waiver of Monthly Deductions

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Waiver of Monthly Deductions Benefit.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Waiver of Monthly Deductions Benefit** - This benefit provides for the waiver of the Monthly Deductions for this policy. The Monthly Deductions will be waived as stated below upon our receipt of due proof of the total disability of the Insured and due proof that the total disability:

- (a) began while this rider was in force prior to the anniversary of this policy which is nearest to the Insured's 65th birthday;
- (b) has continued without interruption for four months during the life of the Insured; and
- (c) if this rider was issued prior to the Insured's age five, began on or after the anniversary of this policy which is nearest to the Insured's fifth birthday.

The Monthly Deductions will be waived as follows:

- (1) If the total disability of the Insured begins prior to the anniversary of this policy which is nearest to the Insured's 60th birthday, the Monthly Deductions will be waived during the continuance of the disability.
- (2) If the total disability of the Insured begins on or after the anniversary of this policy which is nearest to the Insured's 60th birthday, the Monthly Deductions will be waived during the continuance of the disability until the anniversary of this policy which is nearest to the Insured's 65th birthday or, if longer, during the first two years after the date that the disability begins.

Monthly Deductions after the date that the total disability of the Insured begins but before it has continued for four months will be deducted from the Policy Value as stated in this policy. If Monthly Deductions are waived because of the total disability of the Insured, Monthly Deductions for the period beyond the end of the policy month in which that disability began will be credited to the Policy Value. However, no Monthly Deductions for a period more than one year prior to the time that we are given the notice of claim at our Home Office will be waived or credited to the Policy Value unless it is shown that the notice of claim was given as soon as was reasonably possible.

If the total disability of the Insured begins during a grace period, we must be paid a premium sufficient to cover the Monthly Deductions for the grace period before any Monthly Deductions will be waived.

Monthly Deductions waived by this rider shall not be taken from the policy proceeds.

An application to increase the Specified Amount of the Policy will be deemed to be an application to increase the benefit provided by this rider.

There are no cash values or loan values associated with this rider.

**Total Disability Defined** - As used in this rider, total disability of the Insured means an incapacity of the Insured which:

- (a) results from bodily injury or disease; and

- (b) (1) during the first 24 months of total disability, the insured is unable to perform the substantial and material duties of their job due to sickness or accidental bodily injury; and
- (2) after the first 24 months of total disability, the insured, due to sickness or accidental bodily injury, is unable to perform any of the substantial and material duties of any job for which they become reasonably suited by education, training or experience.

The total and irrecoverable loss by the Insured of any of the following will be considered to be total disability even though the Insured may be able to work at an occupation:

- (a) the sight of both eyes;
- (b) the use of both hands or of both feet;
- (c) the use of one hand and one foot;
- (d) speech; or
- (e) hearing of both ears.

**Risks Not Assumed** - Monthly Deductions will not be waived if the total disability of the Insured results from:

- (a) any attempt at suicide, or intentionally self-inflicted injury, while sane or insane;
- (b) war or an act of war while the Insured is in the military, naval or air force of any country, group of countries or international organization;
- (c) active participation in a riot, insurrection or terrorist activity;
- (d) committing or attempting to commit a felony;
- (e) voluntary intake or use by any means of any drug, unless prescribed or administered by a physician and taken in accordance with the physician's instructions;
- (f) voluntary intake or use by any means of poison, gas or fumes, unless a direct result of an occupational accident;
- (g) intoxication as defined by the jurisdiction where the disability occurred; or
- (h) participation in an illegal occupation or activity.

The term "war", as used above, includes, but is not limited to, declared war, and armed aggression by one or more countries resisted on orders of any other country, combination of countries or international organization. "Act of war" means any act peculiar to military, naval or air operations in time of war.

**Notice of Claim and Proof of Total Disability** - Monthly Deductions will be waived only if we are given a written notice of claim and due proof of the total disability of the Insured at our Home Office. The notice and the proof must be given:

- (a) during the life of the Insured and during the continuance of the disability; and
- (b) not more than one year after the time that this rider terminates.

The failure to give the notice and the proof will not invalidate or reduce a claim if it is shown that the notice and the proof were given as soon as was reasonably possible.

We may require due proof of the continuance of the total disability of the Insured. At reasonable intervals, but not more frequently than once every 30 days, a medical examination of the Insured by a medical examiner who we have named may be required. Any such examination will be at our expense. Such proof or examination will not be required more often than once a year after the total disability of the Insured has continued for two years. The failure to give such proof or to submit to such examinations will cause the benefit under this rider to cease.

If the Insured is totally disabled on the anniversary of this policy which is nearest to the Insured's 65th birthday and if the Monthly Deductions for the five years prior to that anniversary have been waived under this rider, no further proof will be required. We will then waive all future Monthly Deductions under this policy.

**Cost of Insurance** - The Cost of Insurance for the Waiver of Monthly Deductions Benefit is determined on a monthly basis. The Cost of Insurance for a policy month is calculated as (a) multiplied by the result of (b) minus (c), where:

- (a) is the Cost of Insurance Rate for this benefit;
- (b) is the Basic Death Benefit under this policy at the beginning of the policy month divided by the Death Benefit Discount Factor of this policy; and
- (c) is the Policy Value of this policy at the beginning of the policy month.

The Cost of Insurance Rate for this benefit is based on the attained age, sex and rate class of the Insured. We will determine Cost of Insurance Rates based on expectations as to future experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from its effective date except as to total disability of the Insured which begins prior to the end of such two year period and except for fraud in the procurement of the rider, when permitted by applicable law.

**Termination** - This rider will terminate upon:

- (a) the anniversary of this policy which is nearest to the Insured's 65th birthday; provided that such termination will not affect any benefit which is payable because of a total disability of the Insured which began prior to that anniversary;
- (b) lapse of this policy;
- (c) the date of the death of the Insured;
- (d) surrender of this policy;
- (e) expiry of this policy; or
- (f) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in cursive script, reading "Eileen C. McDonnell", enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider - Supplemental Exchange

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Exchange Privilege described below.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Exchange Privilege** - Within one year following the termination of the business relationship which existed between you and the Insured at the time that this policy was issued, this policy may be exchanged for a new policy on the life of a new insured subject to the following conditions:

- (a) At the time of the exchange the new Insured must have the same business relationship to you as did the Insured in this policy.
- (b) The new Insured must submit evidence of insurability satisfactory to us.
- (c) This policy must be in force and not be in a grace period at the time of the exchange.
- (d) You must make a written application for the exchange.
- (e) You must make any premium payment which would be necessary to keep the new policy in force for two months.
- (f) You must surrender all rights in this policy in exchange for the new policy.

**New Policy** - The new policy will be on the same plan as this policy. The policy form will be that which we would have used if the new policy had been issued on the new Insured on the Policy Date.

The Policy Date of the new policy will be the same as the Policy Date of this policy. The Date of Issue of the new policy will be the date of the exchange.

The Specified Amount of the new policy will be as stated in the application for the exchange subject to the following conditions:

- (a) The Specified Amount must comply with our rules as to minimum amount.
- (b) The Specified Amount must be such that the new policy will satisfy the requirements of Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor provision.

The Policy Value of the new policy on the date of the exchange will be equal to the Policy Value of this policy on such date.

The surrender charges applicable to the new policy will be the same as the original policy assuming that policy had been issued on the new insured.

The new policy will be subject to our rules as to age at issue which were in effect on the Policy Date. The new policy will have a new Maturity Date.

The new policy will be subject to any assignment of this policy and will be subject to any Policy Debt on this policy.

Supplemental agreements and riders may be included in the new policy only with our consent and subject to our rules.

**Date of Exchange** - The date of the exchange will be the first Monthly Anniversary of this policy following our approval of the application for the exchange. The new policy will be in force beginning on the date of the exchange. This policy will terminate on the day prior to the date of the exchange.

**Incontestability** – The new policy will be incontestable after it has been in force during the life of the new insured for two years from the date of exchange, except for fraud in the procurement of the new policy, when permitted by applicable law.

**Termination** - This rider will terminate upon:

- (a) lapse of this policy;
- (b) the date of death of the Insured;
- (c) full surrender of this policy; or
- (d) The Maturity Date of this policy.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive, flowing style.

President and Chief Executive Officer

# Rider - Additional Insured Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Additional Insured Term Insurance Benefit. We also agree to provide all of the other benefits which are stated in this rider.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Additional Insured Term Insurance Benefit** - We will pay, upon receipt of due proof of the death of an Additional Insured while this rider is in force, the Additional Insured Term Insurance Benefit. The amount of the Term Insurance Benefit for an Additional Insured is the Specified Amount for such Additional Insured as shown on Page 3.

The Term Insurance Benefit payable upon the death of an Additional Insured will be paid to the beneficiary of such benefit in one sum or, if elected, under an income payment option. If part or all of the benefit is paid in one sum, we will pay interest on this sum from the date of death to the date of payment. We will determine the interest rate each year, but it will not be less than the Guaranteed Minimum Interest Rate used in the base policy per year compounded annually, or such higher rate as may be required by state law.

**Suicide Exclusion** - If an Additional Insured dies by suicide, while sane or insane, within two years from the effective date of that Additional Insured's coverage under this rider, the term insurance benefit with respect to such death will be limited to the cost of such benefit.

If an Additional Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in that Additional Insured's Specified Amount, the term insurance benefit with respect to that increase will be limited to the cost for that increase.

**Beneficiary** - The beneficiary of the Term Insurance Benefit for an Additional Insured is as stated in the application for that Additional Insured's coverage under this rider unless changed by a subsequent beneficiary designation. If no other provision is made, the interest of a beneficiary of an Additional Insured's Term Insurance Benefit who dies before that Additional Insured will pass to you.

**Right to Convert Term Insurance** - The term insurance under this rider for an Additional Insured may be converted to a life or endowment policy without evidence of insurability at any time while such insurance is in force. You must make a written request for the conversion. On or before the date of conversion, you must pay the first premium for the new policy.

The new policy will be:

- (a) on a plan which insures only the life of the Additional Insured;
- (b) in the same rate class and subject to the same limitations of risk as the term insurance on the Additional Insured under this rider;
- (c) issued at the age of the Additional Insured on the birthday which is nearest to the date of the conversion;
- (d) on the policy form and at the premium rates in use on the date of the conversion; and
- (e) subject to our rules as to minimum amount, plan of insurance and age at issue which are in effect on the date of conversion.



The inclusion of any supplemental agreements and riders in the new policy will be subject to our consent and must comply with our rules.

**Death of Insured** - If the death of the Insured under this policy occurs while this rider is in force, the term insurance on each Additional Insured covered by this rider will continue for a period of 90 days beginning on the date of death of the Insured. This term insurance may be converted during the 90 day period. At the end of the 90 day period all term insurance under this rider will terminate.

**Change in Specified Amount**—The Specified Amount for an Additional Insured may be changed subject to the following conditions:

- (1) Any change in the Specified Amount must be at least the minimum amount as shown on Page 3.
- (2) Any increase in the Specified Amount must be applied for on a written application. Evidence of insurability satisfactory to us must be submitted on such Additional Insured.
- (3) The Specified Amount may not be decreased to less than the Minimum Specified Amount as shown on Page 3.
- (4) The Specified Amount for an Additional Insured may not be increased to more than the Specified Amount on the Insured under this policy.
- (5) Any decrease in the Specified Amount will successively decrease in reverse order the most recent increases, if any, in the Specified Amount for that Additional Insured.

**Monthly Deduction** - While this rider is in force, the Monthly Deduction under this policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of the following:

- (a) the Cost of Insurance for the policy month for the Term Insurance Benefit under this rider;
- (b) if the Term Insurance Benefit under this rider for an Additional Insured is in its first year, a monthly expense charge as shown on Page 3 for each \$1,000 of Specified Amount for that Additional Insured; and
- (c) if the Specified Amount for an Additional Insured has been increased within the past year, a monthly expense charge as shown on Page 3 for each \$1,000 that the Specified Amount has been increased.

**Computation of Values** All values and benefits in this rider are equal to or greater than those required by the Interstate Insurance Product Regulation Commission.

**Attained Age** - The attained age of an Additional Insured under this rider is the age nearest birthday of that Additional Insured on the most recent policy anniversary.

**Misstatement of Age** - If the age of an Additional Insured has been misstated, the Term Insurance Benefit for that Additional Insured will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age.

**Incontestability** - An Additional Insured's coverage under this rider will be incontestable after it has been in force during the life of such Additional Insured for two years from the effective date of such coverage, except for fraud in the procurement of the rider, when permitted by applicable law. Any increase in the Term Insurance Benefit for an Additional Insured will be incontestable after the increase has been in force during the life of such Additional Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

**Termination of Additional Insured's Coverage** - The coverage of an Additional Insured under this rider will terminate:

- (a) on the anniversary of this policy which is nearest to the Additional Insured's 80th birthday;
- (b) on the date of the conversion of the term insurance on such Additional Insured;

- (c) 90 days after the death of the Insured; or
- (d) upon the termination of this rider.

**Termination of Rider** - This rider will terminate upon:

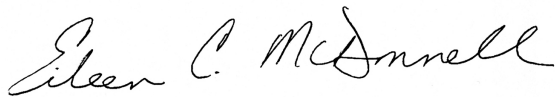
- (a) lapse of this policy;
- (b) surrender of this policy;
- (c) the date of the death of the Insured, provided that such termination will not affect any benefit provided by this rider during the 90 days following the death of the Insured;
- (d) the date on which there is no longer any Additional Insured covered under this rider; or
- (e) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider - Guaranteed Increase Option

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Guaranteed Increase Option described below. We also agree to provide all of the other benefits stated in this rider.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Guaranteed Increase Option** - You will have the option to increase the Specified Amount under this policy without evidence of insurability. The option may be exercised, while this rider is in force, as of any of the Regular Option Dates or as of any Alternate Option Date. The Regular Option Dates are the anniversaries of this policy on which the Insured's age nearest birthday is equal to one of the ages shown on Page 3. An Alternate Option Date will be the 90th day following the date on which one of these events occurs:

- (1) The marriage of the Insured.
- (2) The live birth of a child of the Insured.
- (3) The legal adoption by the Insured of a child who is less than 18 years of age.

In the case of a multiple birth or multiple adoption, you will have the option to increase the Specified Amount by the Option Amount shown on page 3 for each child, and the increase will only affect the next Regular Option Date. Any excess increase will not affect future Option Amounts.

There are no cash values or loan values associated with this rider.

**Option Amount** - The amount that the Specified Amount may be increased by each exercise of this option will, except as stated below, be the Option Amount shown on Page 3.

The Option Amount is subject to reduction as follows:

- (1) If this option is exercised as of an Alternate Option Date, the Option Amount on the next Regular Option Date will be reduced by the amount that the Specified Amount is increased by exercise of this option as of such Alternate Option Date.
- (2) If the amount that the Specified Amount is increased by exercise of this option as of an Alternate Option Date is in excess of the Option Amount on the next Regular Option Date, the excess will be used to reduce the Option Amount on succeeding Regular Option Dates, unless the excess increase was due to a multiple birth or multiple adoption.
- (3) If the total of the Option Amounts on all of the remaining Regular Option Dates is less than the Option Amount shown on Page 3, the Option Amount available as of any Alternate Option Date will be reduced to such total.

If this option is exercised on more than one of the Alternate Option Dates which arise from multiple birth or multiple adoption, all such exercises will, for the purpose of reducing the Option Amounts on future Regular Option Dates, be considered as the exercise of this option one time for the Option Amount.

**Conditions for Exercise of Option** - Each exercise of this option will be subject to the following conditions:

- (1) A written application for the increase in the Specified Amount must be made on or before the date as of which this option is exercised.

- (2) If you are not the Insured, the written consent of the Insured must be obtained.
- (3) If this option is exercised as of an Alternate Option Date, proof of the event which gave rise to such date must be submitted.

If the Specified Amount is increased more than once for a multiple birth or adoption, all such exercises will be considered as a onetime exercise for purposes of reducing any Regular Option Date or Option Amount.

The increase in the Specified Amount which results from the exercise of this option will be subject to any limitations of risk which are in this policy. The rate class of the Insured at issue of this rider will apply to the increase. The effective date of the increase will be the date as of which the option is exercised.

If the insured dies before the exercise of this option, the increase in the Specified Amount which has been applied for will not take effect.

If this policy includes a Disability Waiver of Monthly Deductions benefit, such benefit will apply to the increase in the Specified Amount.

If this policy includes an Accidental Death benefit, such benefit may also be increased upon exercise of this option. The amount by which such benefit may be increased cannot exceed the lesser of:

- (a) the amount that the Specified Amount is being increased by exercise of this option; and
- (b) the amount of the Accidental Death Benefit in this policy immediately prior to the exercise of this option.

In addition, the total amount of Accidental Death Benefit in force on the Insured with us must not exceed our then current limits.

With respect to the increase in the Specified Amount resulting from the exercise of this option, the period stated in the Suicide Exclusion provision and the period of contestability will be computed from the effective date of this rider.

**Automatic Term Insurance** - Each event which gives rise to an Alternate Option Date will also give rise to a Term Period. Term insurance will be provided on the Insured's life during the Term Period. The amount of term insurance will be equal to the maximum amount of new insurance which could be obtained by exercise of this option as of the Alternate Option Date. If the Insured dies during the Term Period, the amount of term insurance will be included in the Death Benefit of this policy and will be paid as part of that Death Benefit.

A Term Period will begin on the date of the event which gives rise to an Alternate Option Date. A Term Period will end on the day preceding the Alternate Option Date which results from such event.

**Existing Disability** - If each of the following conditions is met, we will automatically increase the Specified Amount:

- (1) This policy must include a Disability Waiver of Monthly Deductions Benefit;
- (2) The Insured must be totally disabled on a Regular Option Date or on an Alternate Option Date;
- (3) Monthly Deductions under this policy must be waived as the result of such disability; and
- (4) The option available as of such date has not been exercised.

The increase in the Specified Amount will be effective as of the Regular Option Date or as of the Alternate Option Date. The increase will be for the largest amount of insurance which could be obtained by exercise of this option as of such date. The Monthly Deductions under this policy will be waived as described in the Disability Waiver of Monthly Deductions Rider.

**Cost of Insurance**—The Cost of Insurance for the Guaranteed Increase Option benefit is determined on a monthly basis. The Cost of Insurance for a policy month is calculated as (a) multiplied by (b), where:

- (a) is the Cost of Insurance Rate for this benefit; and
- (b) is the Option Amount shown on Page 3.

The Cost of Insurance Rate for this benefit is based on the issue age, sex and rate class of the Insured. We will determine Cost of Insurance Rates based on expectations as to future experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the rider, when permitted by applicable law.

**Termination** - This rider will terminate upon:

- (a) the anniversary of this policy which is nearest to the last Regular Option Date shown on Page 3;
- (b) any date after which there is no remaining Option Amount available as of a Regular Option Date;
- (c) lapse of this policy;
- (d) the date of the death of the Insured;
- (e) surrender of this policy;
- (f) expiry of this policy; or
- (g) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider - Return of Premium Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Term Insurance Benefit. We also agree to provide all of the other benefits which are stated in this rider. This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Return of Premium Term Insurance Benefit** - We will pay the Term Insurance Benefit upon receipt of due proof of the death of the Insured while this rider is in force. The amount of the Term Insurance Benefit is the sum of all premiums paid into the policy up to the most recent monthly anniversary less any amounts we have paid into the policy or credited to the policy while the Insured is disabled under a Waiver of Stipulated Premium or a Waiver of Monthly Deductions Rider.

The Term Insurance Benefit will be paid on the death of the Insured to the beneficiary in one sum or, if elected, under an income payment option. If part or all of the benefit is paid in one sum, we will pay interest on this sum from the date of death to the date of payment. We will determine the interest rate each year, but it will not be less than the Guaranteed Minimum Interest Rate used in the base policy per year compounded annually, or such higher rate as may be required by state law.

**Monthly Deduction** - While this rider is in force, the Monthly Deduction under this policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of:

- (a) the Cost of Insurance for the policy month for the Term Insurance under this rider; and
- (b) the Cost of Insurance for the policy month for Waiver of Monthly Deductions for this rider if a Waiver of Stipulated Premium or Waiver of Monthly Deductions Rider is attached to this policy.

**Cost of Insurance** - The Cost of Insurance for the Term Insurance under this rider is determined on a monthly basis. It is calculated as (a) multiplied by (b) where:

- (a) is the Cost of Insurance Rate divided by \$1,000 for the Term Insurance applicable to this policy, and
- (b) is the amount of Term Insurance under this rider.

The Cost of Insurance Rate for the Term Insurance is based on the attained age, sex and rate class of the Insured. We will determine Cost of Insurance Rates based on expectations as to future mortality, investment, expense, and persistency experience. However, these rates will not exceed those shown for this rider in the Additional Policy Specifications. We will not adjust Cost of Insurance Rates as a means of recovering prior losses nor as a means of distributing prior profits.

**Computation of Values** - All values and benefits in this rider are equal to or greater than those required by the Interstate Insurance Product Regulation Commission.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the rider, when permitted by applicable law.

**Termination of Rider** - This rider will terminate upon:

- (a) the original maturity date of the base policy;
- (b) lapse of this policy;
- (c) surrender of this policy;

- (d) the Monthly Anniversary which coincides with or next follows our receipt of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company



President and Chief Executive Officer

# Rider - Accelerated Death Benefit for Terminal Condition

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

**Disclosure - Upon your request, we will provide prepayment to you a portion of the death benefit based on a noncorrectable terminal condition resulting in the Insured's life expectancy to be 12 months or less. Exercising this benefit could be a taxable event so assistance and advice should be obtained from a personal tax advisor prior to receipt of any prepayments. Accelerated death benefits may also adversely affect the recipient's eligibility for Medicaid and other government provided benefits. Death benefits, cash values and loan values will be reduced if an accelerated death benefit is paid.**

We agree, subject to the provisions of this rider, to provide prepayment of a portion of the death benefit based on a noncorrectable terminal condition resulting in the Insured's remaining life expectancy to be twelve months or less.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Free Look Period -** You may return payment to our Home Office within 10 days of receipt of payment. We will then void the prepayment of that portion of the death benefit. If you exercise this option and return any prepayment you may not exercise this benefit again at a later date.

**Benefit Payment -** The accelerated death benefit is paid to you while the Insured is living, unless you have otherwise assigned or designated the benefit. If the Insured dies before accelerated benefits are paid, no payment will be made under this rider. However, this provision will not apply to any payment we made before receiving written notice of the Insured's death at our Home Office. Prior to the benefit payment, we will provide you with a Benefit Payment Notice which will include the amount of benefit payment, the dollar amounts of the remaining death benefit and any accumulation values.

**Premium -** There is no premium for this benefit.

**Values -** This rider has no cash values or loan values.

**Eligibility -** In order to receive any benefits under this rider, all the following conditions must be satisfied:

1. This rider is only available for coverage on the life of the Insured.
2. Your request for benefits under this rider must be received in a written form at our Home Office.
3. We must receive sufficient evidence that the Insured has a noncorrectable terminal condition. This includes but is not limited to certification from a physician licensed in the United States. This noncorrectable terminal condition must result in the Insured's having a remaining life expectancy of twelve months or less. The licensed physician shall not be the Insured, Owner, Beneficiary, or a relative thereof. (In addition to the definition of kinship in the base policy, a relative is defined as an aunt, uncle, cousin, parent, step-parent, or grandparent.) We reserve the right to obtain additional medical opinions provided at our expense. In the case of conflicting opinions, eligibility for benefits shall be determined by a third medical opinion that is provided by a physician that is mutually acceptable to you and us.
4. This rider is attached only to the base policy (excluding any additional riders except for the Supplemental Term Insurance Rider).
5. The policy to which this rider is attached must not be in its premium grace period.
6. We must receive signed acknowledgment of concurrence of payments from all assignees and irrevocable beneficiaries.



7. This benefit is not available if:
- (a) Law requires this benefit to meet the claims of creditors, whether in bankruptcy or otherwise, or
  - (b) A government agency requires this benefit in order to apply for, obtain, or keep a government benefit or entitlement.

Payment of the accelerated death benefit is due immediately upon our receipt of the due written proof of eligibility.

**Requested Percentage** - The Requested Percentage is the percentage of Eligible Specified Amount that is to be accelerated. The unadjusted payment is the Requested Percentage multiplied by the Eligible Specified Amount. We reserve the right to limit the unadjusted payment and the accelerated benefit such that:

- 1. The Requested Percentage does not exceed 50%;
- 2. The Accelerated Benefit Payment does not exceed \$250,000;
- 3. The Accelerated Benefit Payment is at least \$10,000; and
- 4. The policy is not disqualified as life insurance according to Internal Revenue Code.

**Eligible Specified Amount** - Does not include all coverages, but is restricted to the base policy Specified Amount (excluding any additional riders except for the Supplemental Term Insurance Rider).

**Accelerated Benefit Payment** - This is the actual benefit amount that you will receive under this rider if eligible. We will pay the Accelerated Benefit Payment in a lump sum only once per policy. The Accelerated Benefit Payment is equal to the unadjusted payment less the following adjustments as of the benefit payment date:

- 1. Premiums and policy charges that would have been due during the twelve month period following the benefit payment date for the coverage corresponding to this unadjusted payment;
- 2. A twelve month interest rate discount using a rate that is no greater than the greater of the current yield on the ninety-day treasury bill or the current maximum statutory adjustable policy loan interest rate; and
- 3. A reduction in the unadjusted payment for policy loans by an amount equal to the Requested Percentage times the loan amount.

**Effect on Policy Values** - The policy will be subject to pro-rata reductions based on the Requested Percentage used to produce the Accelerated Benefit Payment. These pro rata reductions will be made to the death benefit, policy value, loan amounts, and any other policy charges.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from the Effective Date, except for fraud in the procurement of the rider, when permitted by applicable law.

**Termination of Rider** - This rider will terminate upon:

- (a) lapse of this Policy; or
- (b) surrender of this Policy; or
- (c) the maturity date of this Policy; or
- (d) the date of death of the Insured; or
- (e) the Monthly Anniversary which coincides with or next follows our receipt of a written request to terminate this rider.

Termination shall not prejudice the payment of benefits for any qualifying event that occurred while the rider was in force.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive, flowing style.

President and Chief Executive Officer

A. Proposed Insured (PI 1)			
1. Name First Middle Last			2. Sex <input type="checkbox"/> Male <input type="checkbox"/> Female
3. Date of Birth (mm/dd/yyyy) / /	4. Social Security / Tax ID # / /	5. Drivers License State and No.	6. Marital Status <input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> S <input type="checkbox"/> W
7. Birth Place (State/Country)	8. Citizenship If other, provide details including valid Green Card or Visa # and Type. (Attach a copy) <input type="checkbox"/> US <input type="checkbox"/> Other Details		
9. Address Street		City	State Zip
10. Years at Address	11. Telephone Number Personal ( ) Business ( )		12. Email Address
13. Employer		14. Occupation	15. How Long
16. Business Address Street		City	State Zip
B. Proposed Insured (PI 2) - Complete for: <input type="checkbox"/> Survivorship Plan <input type="checkbox"/> Additional Insured Rider If multiple additional insureds complete form PM5023. If info for PI 1 is same as PI 2 indicate same.			
1. Name First Middle Last			2. Sex <input type="checkbox"/> Male <input type="checkbox"/> Female
3. Date of Birth (mm/dd/yyyy) / /	4. Social Security / Tax ID # / /	5. Drivers License State and No.	6. Marital Status <input type="checkbox"/> M <input type="checkbox"/> D <input type="checkbox"/> S <input type="checkbox"/> W
7. Birth Place (State/Country)	8. Citizenship If other, provide details including valid Green Card or Visa # and Type. (Attach a copy) <input type="checkbox"/> US <input type="checkbox"/> Other Details		
9. Address Street		City	State Zip
10. Years at Address	11. Telephone Number Personal ( ) Business ( )		13. Relationship to First Insured
14. Employer		15. Occupation	16. How Long
17. Business Address Street		City	State Zip
C. Coverage Details			
1. Product Name			
2. Face Amount (Excluding Riders) \$ _____		3. Supplement Term Amount \$ _____	4. Total Initial Coverage = \$ _____
5. Death Benefit Option - Universal Life (Select One)		<input type="checkbox"/> Level Death Benefit <input type="checkbox"/> Increasing Death Benefit	
6. Definition of Life Insurance - Universal Life (Select One)		<input type="checkbox"/> Guideline Premium Test <input type="checkbox"/> Cash Value Accumulation Test	
7. Whole Life Product (select one)		<input type="checkbox"/> Paid-Up at Age 65 <input type="checkbox"/> Paid-Up at Age 100	

**D. Additional Benefits and Riders - Select desired benefits and riders for product plan elected in Section C**

**Accumulation Builder Choice IUL**

- ☐ Accidental Death Benefit Rider \$ \_\_\_\_\_
- ☐ Additional Insured Term Insurance Rider  
(Complete section B of application) \$ \_\_\_\_\_
- ☐ Children's Term Insurance Rider  
(Complete section T of application)  
Number of Units \_\_\_\_\_
- ☐ Disability Waiver of Monthly Deductions
- ☐ Disability Waiver of Stipulated Premium  
(Disability Completion Benefit)
- ☐ Guaranteed Increase Option Rider
- ☐ Overloan Protection Benefit Rider
- ☐ Surrender Benefit Enhancement Rider
- ☐ Supplemental Term Insurance Rider
- ☐ Waiver of Surrender Charges Rider
- ☐ Other \_\_\_\_\_

**Flexible Choice Whole Life**

- ☐ Accidental Death Benefit \$ \_\_\_\_\_
- ☐ Children's Term Insurance Agreement  
(Complete Section T of application)  
Number of Units \_\_\_\_\_
- ☐ Flexible Protection Rider \$ \_\_\_\_\_
- ☐ Guaranteed Insurability Agreement \$ \_\_\_\_\_
- ☐ Overloan Protection Rider
- ☐ Paid Up Additions  
(Select only one and complete question 4 in Section M)
  - ☐ Accelerated Permanent Paid Up Additions Rider
  - ☐ Enhanced Permanent Paid Up Additions Rider
- ☐ Waiver of Premium (Select only one)
  - ☐ Waiver of Premium Rider
  - ☐ Enhanced Waiver of Premium Rider
- ☐ Other \_\_\_\_\_

**Diversified Growth VUL**

Complete form PM0304-R2 (PM0304-RS in NY and VT) and all forms required by your broker dealer for variable life business.

- ☐ Accidental Death Benefit \$ \_\_\_\_\_
- ☐ Additional Insured Rider  
(Complete Section B of application) \$ \_\_\_\_\_
- ☐ Business Accounting Benefit
- ☐ Cash Value Enhancement Rider
- ☐ Children's Term Insurance Agreement  
(Complete Section T of application)  
Number of Units \_\_\_\_\_
- ☐ Disability Completion Benefit
- ☐ Extended No-Lapse Guarantee Rider
- ☐ Guaranteed Insurability Agreement \$ \_\_\_\_\_
- ☐ Overloan Protection Rider
- ☐ Return of Premium Rider
- ☐ Supplemental Term Rider \$ \_\_\_\_\_
- ☐ Waiver of Monthly Deductions
- ☐ Other \_\_\_\_\_

**Guaranteed Protection UL**

- ☐ Accidental Death Benefit \$ \_\_\_\_\_
- ☐ Additional Insured Rider  
(Complete Section B of application) \$ \_\_\_\_\_
- ☐ Business Accounting Benefit
- ☐ Children's Term Insurance Agreement  
(Complete Section T of application)  
Number of Units \_\_\_\_\_
- ☐ Disability Completion Benefit
- ☐ Guaranteed Insurability Agreement \$ \_\_\_\_\_
- ☐ Overloan Protection Rider
- ☐ Waiver of Monthly Deductions
- ☐ Other \_\_\_\_\_

**Guaranteed Term 10-15-20**

- ☐ Accidental Death Benefit \$ \_\_\_\_\_
- ☐ Children's Term Insurance Agreement  
(Complete Section T of application)  
Number of Units \_\_\_\_\_
- ☐ Waiver of Premium Rider – Option A
- ☐ Waiver of Premium Rider – Option B
- ☐ Other \_\_\_\_\_

**Survivorship Plus IUL**

- ☐ Estate Growth Benefit % \_\_\_\_\_
- ☐ Estate Preservation Term Insurance Rider \$ \_\_\_\_\_
- ☐ Extended No-Lapse Guarantee Rider
- ☐ First Death Benefit Rider \$ \_\_\_\_\_  
Number of Years \_\_\_\_\_
- ☐ Overloan Protection Rider
- ☐ Return of Premium Rider
- ☐ Single Life Flexible Period Term Rider \$ \_\_\_\_\_  
Number of Years \_\_\_\_\_
- ☐ Supplemental Term Rider \$ \_\_\_\_\_
- ☐ Other \_\_\_\_\_

**Survivorship Growth VUL**

Complete form PM0304-R2 (PM0304-RS in NY and VT) and all forms required by your broker dealer for variable life business.

- ☐ Enhanced Coverage Rider \$ \_\_\_\_\_
- ☐ Estate Growth Benefit % \_\_\_\_\_
- ☐ Estate Preservation Term Insurance Rider \$ \_\_\_\_\_
- ☐ Guaranteed Continuation of Policy  
(All states except NJ, NY, TX)
- ☐ Return of Premium Rider
- ☐ Single Life Flexible Period Term Rider \$ \_\_\_\_\_  
Number of Years \_\_\_\_\_
- ☐ Other \_\_\_\_\_

## E. Dividend Options

Universal Life      ☐ Cash    ☐ Credited to Cash Value

Traditional Plans   ☐ Cash   ☐ Paid-up Additions   ☐ Accumulate at Interest   ☐ Other\_\_\_\_\_

☐ Premium Reduction (Not available with Penn Check or Salary Allotment)

#### F. Non-Conforming Illustration Acknowledgement (Non-variable only)

An illustration is defined as a presentation or depiction that includes non-guaranteed elements of a policy over a period of years. If an illustration was presented during the sales process and matches the policy applied for, a copy of that illustration must be signed and submitted with the application. If the signed illustration is not submitted, indicate the reason below (Check one).

☐ A. An illustration was not presented to me

☐ B. An illustration was presented to me, however, the policy applied for is different than as illustrated

☐ C. An illustration was presented to me on a computer screen

If A, B, or C are checked, I acknowledge, as applicant, that I did not receive and sign an illustration that matches this application for the reason indicated above. I also understand that an illustration matching the policy at time of issue will be provided for my signature no later than at the time the policy is delivered.

**G. Owner - If Trust, give name of Trust, Trustee and date of Trust.**

1. Name (First, Middle, Last or Trust/Entity)						2. Relationship to Proposed Insured	
3. Address    Street                                  City                                  State                                  Zip						4. Telephone Number (       )	
5. Birth/Trust Date (mm/dd/yyyy)  /     /			6. Social Security / Tax ID #  /     /			7. Email Address	
8. Name of Trustee(s)/Authorized Company Representative					9. What is the amount of life insurance carried on the life of the owner?		

**H. Contingent Owner - If Trust, give name of Trust, Trustee and date of Trust.**

1. Name (First, Middle, Last or Trust/Entity)						2. Relationship to Proposed Insured																							
3. Address    Street						City						State						Zip						4. Telephone Number (       )					
5. Birth/Trust Date (mm/dd/yyyy)  /       /								6. Social Security / Tax ID #  /       /								7. Email Address													
8. Name of Trustee(s)/Authorized Company Representative												9. What is the amount of life insurance carried on the life of the owner?																	

## I. Certification of Owner's Taxpayer ID

Under penalty of perjury, I the owner certify that.

1. The number shown in this application as my social security number or taxpayer identification number is correct; and
2. I am not subject to backup withholding because I have not been notified by the IRS that I am subject to backup withholding as a failure to report all interest or dividends, or the IRS has notified me that I am no longer subject to backup withholding, or I am exempt from backup withholding; and
3. I am a U.S. person (including a U.S. resident alien).

☐ Check this box if you are subject to backup withholding under section 3406(a)(1)(c) of the Internal Revenue Code.

**J. Payor - Complete only if Payor is other than the Proposed Insured or Owner or if a different address is requested.**

1. Name (First, Middle, Last or Trust/Entity)		2. Date of Birth (mm/dd/yyyy) / /	
3. Address Street		City	State Zip
4. Mailing Address (if different from above) Street		City	State Zip
5. Social Security / Tax ID #	6. Telephone Number ( )	7. Email Address	
8. Relationship to Proposed Insured		9. What is the amount of life insurance carried on the life of the payor?	
10. Please provide details as to why the Payor is paying the premiums.			

**K. Primary Beneficiary - If no beneficiary survives the Insured, proceeds revert to the Estate of the Insured.**

Name (First, Middle, Last) and Address (Street, City, State, Zip)	Phone Number	Date of Birth or Date of Trust (mm/dd/yyyy)	Social Security or Tax ID No.	Relationship	%
Name					
Address					
Name					
Address					
Name					
Address					
Name					
Address					

**L. Contingent Beneficiary**

Name (First, Middle, Last) and Address (Street, City, State, Zip)	Phone Number	Date of Birth or Date of Trust (mm/dd/yyyy)	Social Security or Tax ID No.	Relationship	%
Name					
Address					
Name					
Address					

**M. Rider Beneficiary - If no beneficiary is named or survives the Insured, proceeds revert to the Owner.**

Name (First, Middle, Last) and Address (Street, City, State, Zip)	Phone Number	Date of Birth or Date of Trust (mm/dd/yyyy)	Social Security or Tax ID No.	Relationship	%
Name					
Address					
Name					
Address					

## N. Premium and Billing Information

If money was collected with this application, please complete and submit the Temporary Insurance Agreement (TIA) PM1146. No TIA can be provided unless premium has been collected. Must complete Section O if selecting Penn Check billing mode or policy will be issued quarterly.

1. Billing Mode and or Method of Payment  
☐ Single Premium   ☐ Annual   ☐ Semi-annual   ☐ Quarterly  
☐ Penn Check add to existing account # \_\_\_\_\_  
**Penn Check is only available for premiums of \$25.00 or more**  
☐ Draft initial premium when policy issued (Only available for Penn Check monthly)  
☐ Salary Allotment add to existing account # \_\_\_\_\_
2. (a) Total premium to be billed \$ \_\_\_\_\_ (b) If single premium amount \$ \_\_\_\_\_
3. Additional premium expected via 1035 exchange \$ \_\_\_\_\_ ; additional lump sum \$ \_\_\_\_\_
4. PUA Rider for Whole Life  
Initial premium to be used for PUA \$ \_\_\_\_\_ Annual Payment Limit to be used for PUA \$ \_\_\_\_\_  
Additional premium to be used for lump sum PUA from 1035 exchange \$ \_\_\_\_\_ ;  
additional lump sum \$ \_\_\_\_\_
5. Automatic Premium Loan for Whole Life   ☐ Yes   ☐ No   (If no Automatic Premium Loan is selected, the default is **No**)
6. Premium allocation for Survivorship Plus IUL\*  
I elect to have my premium allocated directly to the accounts as indicated below.  
\_\_\_\_\_ % Indexed Account  
\_\_\_\_\_ % DCA Account  
\_\_\_\_\_ % Fixed Account
7. Premium allocation for Accumulation Builder Choice IUL  
I elect to have my premium allocated directly to the accounts as indicated below.  
\_\_\_\_\_ % 1 Year S&P 500 Indexed Account  
\_\_\_\_\_ % 1 Year S&P Global BMI Indexed Account  
\_\_\_\_\_ % 5&1 Year Blend S&P 500 Indexed Account  
\_\_\_\_\_ % Fixed Account  
\_\_\_\_\_ % DCA Account
8. DCA allocation for Accumulation Builder Choice IUL  
I elect to have my premium allocated from the DCA Account to the accounts as indicated below.  
\_\_\_\_\_ % 1 Year S&P 500 Indexed Account  
\_\_\_\_\_ % 1 Year S&P Global BMI Indexed Account  
\_\_\_\_\_ % 5&1 Year Blend S&P 500 Indexed Account

This election will continue for new premium payments until I elect a change.

Each set of allocations in questions 6, 7, and 8 must equal 100%.

\*Note - If electing the Survivorship Plus IUL Extended No-Lapse Guarantee Rider, the allocation to the Fixed Account will be restricted.

9. What is the source of the premiums? (Indicate all that apply for any part of the premium)

<input type="checkbox"/> Applicant's personal income	<input type="checkbox"/> Applicant's personal liquid assets
<input type="checkbox"/> Applicant's family member, including spouse (Identify and describe their source below)	<input type="checkbox"/> Applicant's personal illiquid assets
<input type="checkbox"/> Premium finance company (Identify lender below)	<input type="checkbox"/> Mortgage, reverse mortgage or home equity loan (Identify lender below)
<input type="checkbox"/> Other person or entity (Identify and describe their source below)	<input type="checkbox"/> Annuity payments (identify type of annuity, source of annuity premiums, reasons for annuity below)

If anyone other than the applicant is paying any part of the premium, describe any arrangement which has been established or is being considered for repayment by the applicant, the insured if other than the applicant, or any trust established by the insured or the applicant. Indicate whether any such promised or potential repayment will or would come from the policy cash value or death benefit, and describe any other source of repayment. \_\_\_\_\_

**O. Penn Check Account Information - Include copy of void check.**

1. Bank Name	2. Bank Routing and Account Number Routing # _____ Account # _____
3. Account Type <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Pershing <input type="checkbox"/> Other	
4. Draft Date <input type="checkbox"/> 1st <input type="checkbox"/> 8th <input type="checkbox"/> 15th <input type="checkbox"/> 22nd	
5. Bank Address   Street _____ City _____ State _____ Zip _____	
6. Name (First, Middle, Last) of First Depositor	7. Name (First, Middle, Last) of Second Depositor

**P. Life Insurance In Force or Pending**

1. Has any Proposed Insured ever applied for life, health or disability insurance and been declined, postponed or offered on a basis other than applied?      Pl1      Pl2  
☐ Yes   ☐ No      ☐ Yes   ☐ No
2. Does any Proposed Insured have any formal or informal applications pending with any other life insurance company now?      ☐ Yes   ☐ No      ☐ Yes   ☐ No

If answered Yes to above questions, please give details for each Proposed Insured.

Proposed Insured 1 \_\_\_\_\_

Proposed Insured 2 \_\_\_\_\_

3. Does any proposed insured have any existing life insurance or annuities in force?   ☐ Yes   ☐ No

4. List all Insurance In Force on any Proposed Insured.

Insured's Name & Company	Business or Personal	Face Amount	Policy Number	Issue Year	Is Policy Being Replaced or Changed?	Check if 1035 Exchange
	<input type="checkbox"/> B <input type="checkbox"/> P				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> B <input type="checkbox"/> P				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> B <input type="checkbox"/> P				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> B <input type="checkbox"/> P				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<input type="checkbox"/> B <input type="checkbox"/> P				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

**Q. Replacement and 1035 Exchange Information**

Complete only if there is existing life insurance and/or annuity coverage.

1. Are you considering stopping premium payments, surrendering, replacing, forfeiting, assigning to the insurer or reducing your benefits under an existing policy or contract?      ☐ Yes   ☐ No
2. Are you considering using or borrowing funds from your existing policies or contracts to pay premiums due on the new or applied for policy?      ☐ Yes   ☐ No

If answered Yes to either question, please complete and sign all required replacement forms.

3. If 1035 Exchange, will loan be carried over?   ☐ Yes   ☐ No    If Yes, amount of loan \$ \_\_\_\_\_

4. Loan Election for policy with an Indexed Loan feature.

Loans being carried over to a policy with an Indexed Loan feature must elect the option to apply to the transferred loan. Please make one of the following selections:   ☐ Traditional Loan Option   ☐ Indexed Loan Option

**R. Intent to Transfer & Life Expectancy Evaluation**

1. Is there any arrangement that has been established, or is being considered, to make a collateral assignment of the policy, or otherwise to transfer the policy, or any part of the policy, or any interest in the policy (including any interest in a trust or other entity with an interest in the policy)?   ☐ Yes   ☐ No    If Yes, please explain. \_\_\_\_\_
2. Has there been a life expectancy evaluation of the insured in the past 2 years or is there an arrangement which has been established or is being considered to perform one in the future?      ☐ Yes   ☐ No
3. Have you settled or sold to a third party a life insurance policy in the past 5 years?      ☐ Yes   ☐ No  
If Yes, please indicate which policy (listed in Section P) was settled and explain. \_\_\_\_\_



**S. Financial Needs Benefits - Give reasons for insuring the life of each insured (check all that apply).**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Death Benefit Protection | <input type="checkbox"/> Deferred Compensation         | <input type="checkbox"/> Retirement Funding        |
| <input type="checkbox"/> Savings, Accumulation    | <input type="checkbox"/> Tax Planning                  | <input type="checkbox"/> Education/College Funding |
| <input type="checkbox"/> Debt Protection          | <input type="checkbox"/> Transfer of Estate Upon Death | <input type="checkbox"/> Buy/Sell                  |
| <input type="checkbox"/> Charitable Giving        | <input type="checkbox"/> Other, please describe. _____ |  |

**T. Children's Term Insurance Agreement**

Child's Name (First, Middle, Last)	Relationship to Insured	Date of Birth mm/dd/yyyy	If School Age Current Grade	Height Ft./In.	Weight Lbs.	Insurance In Force	Driver's License State & Number (if applicable)
		/ /					
		/ /					
		/ /					
		/ /					
		/ /					
		/ /					

1. Are all children equally insured? ☐ Yes ☐ No  
If No, please provide details. \_\_\_\_\_
2. With whom and where do all children reside? \_\_\_\_\_  
\_\_\_\_\_
3. Please advise the amount of insurance currently in force on parent(s)/guardian.  
If none, please provide details. \_\_\_\_\_  
\_\_\_\_\_
4. Has any child been absent from school or work for more than 5 consecutive days due to illness or injury within the past 12 months? ☐ Yes ☐ No If Yes, please provide details. \_\_\_\_\_  
\_\_\_\_\_
5. Has any child ever been treated for or diagnosed with any disease of the heart or circulatory system, lungs, kidney, tumor or cancer, diabetes, elevated blood pressure, nervous, blood or joint disorder, disorder of stomach, liver, intestines, paralysis or accident, Acquired Immunity Deficiency Syndrome or alcohol/drug abuse? If Yes, please provide insured name and details. ☐ Yes ☐ No  
\_\_\_\_\_  
\_\_\_\_\_
6. Has any child ever had any operation, medical treatment or physical exam within the past 2 years? ☐ Yes ☐ No  
If Yes, please provide insured name and details. \_\_\_\_\_  
\_\_\_\_\_
7. Has any child smoked cigarettes or used tobacco in any form? ☐ Yes ☐ No  
If Yes, please provide when last used, amount, frequency and product. \_\_\_\_\_  
\_\_\_\_\_
8. In the past 5 years, has any child been convicted of a moving violation, been convicted of a DUI (driving under the influence of alcohol or drugs) or had their driver's license suspended or revoked? ☐ Yes ☐ No  
If Yes, please provide details. \_\_\_\_\_  
\_\_\_\_\_

**Special Requests**

**U. Tobacco and/or Nicotine Use Information**

1. Does either person proposed for coverage, currently use or have they ever used tobacco or products in any form containing nicotine? (e.g., cigarettes, cigars, pipes, chewing tobacco, nicotine gum, nicotine patches, hookah, or any other nicotine delivery system)

(a) Proposed Insured 1 ☐ Yes ☐ No If Yes:

(f) Proposed Insured 2 ☐ Yes ☐ No If Yes:

(b) Type \_\_\_\_\_ (c) Amount \_\_\_\_\_

(g) Type \_\_\_\_\_ (h) Amount \_\_\_\_\_

(d) Frequency \_\_\_\_\_

(i) Frequency \_\_\_\_\_

(e) Date Last Used (mm/dd/yyyy) \_\_\_\_ / \_\_\_\_ / \_\_\_\_

(j) Date Last Used (mm/dd/yyyy) \_\_\_\_ / \_\_\_\_ / \_\_\_\_

**V. Personal Physician Information**

1. Personal Physician - If no personal physician, list physician last consulted, date and reason last consulted.  
For Proposed Insured 1 and Proposed Insured 2.

**Proposed Insured 1** Physician Name

Date Last Seen (mm/dd/yyyy)

Telephone Number

/ /

( )

Address Street

City

State

Zip

Reason Last Seen

**Proposed Insured 2** Physician Name

Date Last Seen (mm/dd/yyyy)

Telephone Number

/ /

( )

Address: Street

City

State

Zip

Reason Last Seen

**W. Lifestyle Information - Complete for Proposed Insured 1 and Proposed Insured 2 or Additional Insureds.  
Provide details to any yes answers in Details section.**

1. Does either Proposed Insured intend to reside or travel outside the United States within the next 24 months other than vacation of not more than 2 weeks?  
If Yes, please complete foreign travel questionnaire PM0326, EXCEPT for vacations of not more than 2 weeks duration. If vacation, provide complete details including dates, destinations, and duration in the Details section on page 9.

PI1  
☐ Yes ☐ No

PI2  
☐ Yes ☐ No

2. Within the past two years, has either Proposed Insured flown or taken instruction as a pilot or crew member or intend to do so?  
(If Yes, please complete Aviation Supplement form # 5835-5)

☐ Yes ☐ No

☐ Yes ☐ No

3. Within the next two years, does either Proposed Insured intend to engage in any kind of racing, scuba or skydiving, hang gliding, base jumping, mountain or rock climbing or big game hunting?  
(If Yes, please complete appropriate questionnaire - PM2782, PM2782A or PM1047)

☐ Yes ☐ No

☐ Yes ☐ No

4. Within the past five years, has either Proposed Insured:  
(a) Been convicted of a moving violation or had their driver's license suspended or revoked?  
(b) Been convicted of a DUI (driving under the influence of alcohol or drugs)?

☐ Yes ☐ No

☐ Yes ☐ No

☐ Yes ☐ No

☐ Yes ☐ No

5. Has either Proposed Insured been convicted of, or currently charged with, the commission of any criminal offense – other than the violation of a motor vehicle law – within the last 10 years?

☐ Yes ☐ No

☐ Yes ☐ No

6. Is either Proposed Insured a member, or entered into a written agreement to become a member, of any armed forces or military reserve?  
(If Yes, please complete PS1017)

☐ Yes ☐ No

☐ Yes ☐ No

7. Has either Proposed Insured declared bankruptcy?  
(If yes, please advise if discharged and date of discharge)

☐ Yes ☐ No

☐ Yes ☐ No

8. Is either Proposed Insured currently receiving, or within the past 5 years have they received or applied for, any disability benefits, including Workers Compensation, Social Security Disability Insurance, or any other form of disability insurance?

☐ Yes ☐ No

☐ Yes ☐ No

## W. Lifestyle Information (continued)

Details of any YES answers in Section W. \_\_\_\_\_

## X. Financial Information

**A. Personal Finances** - For face amounts of \$2,500,001 and above, complete the Confidential Financial Statement (PM9100).

	PI 1	PI 2
1. Annual Earned Income from occupation (After deduction of business expenses)	\$ _____	\$ _____
2. Other Income (give source) _____	\$ _____	\$ _____
3. Net Worth _____	\$ _____	\$ _____

**B. Business Finances** - Complete the following section for business owned contracts for business insurance face amounts under \$2,500,001. For face amounts of \$2,500,001 and above, complete the Confidential Financial Statement (PM9100).

1. Business Insurance Purposes ☐ Key Person ☐ Buy Sell ☐ Business Loan ☐ Other \_\_\_\_\_

	Assets	Liabilities	Gross Sales	Net Income	Fair Market Value of Business
Current Year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Previous Year	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

2. How was the amount applied for determined? \_\_\_\_\_

3. What percentage of the business is owned by the Proposed Insured(s)? \_\_\_\_\_ %

4. Are other partners/owners/executives insured or applying for life insurance with any company? ☐ Yes ☐ No

If Yes, please provide details. \_\_\_\_\_

## Special Instructions and Home Office Amendments and Corrections

**Y. Non-Medical Part 2 - Complete for all Proposed Insureds not requiring an examination (see Penn Mutual medical evidence chart for details). Completion for Proposed Insureds being examined is optional, but encouraged. Provide details to any yes answers in Details section on page 11.**

PI1	1. Height (in shoes) _____ ft. _____ in.	2. Weight (clothed) _____ lbs.	Weight change in last year? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, <input type="checkbox"/> Increase <input type="checkbox"/> Decrease	No. of lbs. _____
PI2	3. Height (in shoes) _____ ft. _____ in.	4. Weight (clothed) _____ lbs.	Weight change in last year? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, <input type="checkbox"/> Increase <input type="checkbox"/> Decrease	No. of lbs. _____

	PI1	PI2
5. Are you presently taking any medication, supplements or homeopathic remedies either prescribed or over the counter?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. During the past 10 years have you had, or been told that you have, or been treated by a member of the medical profession for:		
a. High blood pressure, chest discomfort, heart attack, heart murmur, circulatory or heart disorder?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Diabetes, sugar in urine, thyroid disorder, elevated cholesterol or other endocrine or metabolic disorder?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Asthma, bronchitis, emphysema, shortness of breath, sleep apnea or any other lung or respiratory disorder?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
d. Hepatitis, cirrhosis, ulcer, colitis or other disorder of the stomach, liver or digestive system?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
e. Anemia, leukemia or other blood or clotting disorder?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
f. Arthritis, gout, back or joint pain, bone fracture, muscle disorder, or any disorder of the skin?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
g. Seizures, stroke, fainting, paralysis, falls, loss of consciousness, mental or emotional disorder or any other disorder of the brain or nervous system?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
h. Alzheimer's disease, dementia, memory impairment, Parkinson's disease or any other progressive neurological disease?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
i. Cancer, tumor, polyp or cyst?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
j. Disorder of eyes, ears, nose or throat?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
k. Kidney, bladder, urinary, reproductive organ, breast or prostate disorder?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
l. Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC), or any disorder of the immune system or a positive blood test for antibodies to the HIV virus?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Have you ever used any controlled substances such as: amphetamines, barbiturates, hallucinogens, heroin, morphine, cocaine, marijuana, opiates or any prescription drug, except as prescribed by a physician? If yes, please complete Substance Use Questionnaire PM0293.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Have you ever been advised to limit or discontinue the use of alcohol or drugs, sought or received treatment, counseling or participated in a group for alcohol or drug use? If yes, please complete Substance Use Questionnaire PM0293.	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Other than previously stated, have you within the past 5 years:		
a. Consulted a physician or any other practitioner, had a check-up, illness, surgery or been hospitalized?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Had an electrocardiogram, exercise treadmill test, echocardiogram, X-ray, blood test or other diagnostic test, excluding HIV related tests?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Been advised to have, or scheduled, any diagnostic test, hospitalization or surgery which was not completed, excluding HIV related tests?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

## Y. Non-Medical Part 2 (Continued)

10. Family History (Complete amount of insurance only if Proposed Insured is under age 17)\*

Have any of your immediate family members (parents, brothers and sisters) died or been diagnosed or treated by a member of the medical profession as having diabetes, heart disease, TIA (transient ischemic attack) or other cerebrovascular disorder, cancer, stroke, Huntington's disease and Chorea, neuromuscular disorder, or kidney disease prior to age 60?

PI 1 ☐ Yes ☐ No      PI 2 ☐ Yes ☐ No (If Yes, provide details in Medical Impairment section below).

	Age(s) (if living)	Age(s) (at death)	Medical Impairment	Cause of Death	Amount of Insurance*
Father (PI 1)					
Father (PI 2)					
Mother (PI 1)					
Mother (PI 2)					
Brother (PI 1)					
Brother (PI 2)					
Sister (PI 1)					
Sister (PI 2)					

## Y. Details for Medical History Questions

[illegible]

## Z. Authorization for Fund Transfer (Variable only)

The agent/registered representative may request transfers of account values pursuant to my instruction unless I check this box. ☐ Check if applicable

## Penn Check Authorization

By completing Section O of this application, I authorize monthly payments from my checking or savings account, or from my Pershing Resource Checking or Pro Cash Plus account to the Penn Mutual Life Insurance Company, its subsidiaries, affiliates, and third party administrators (herein Company) for premiums on this policy, beginning with the next periodic payment that comes due under the contract, until such time as a payment cannot be made due to insufficient funds or the Company gives the other parties at least 30 days' advance written notice of the termination of such payment plan. I am able to cancel the payment plan at any time by either calling the Company at 1-800-523-0650 or in writing. Monthly payments will be drawn from my account on or about the date specified in this application. If no date has been selected in Question 4 of Section O, the draw date will be the 15th of the month.

I further agree that if any such check be dishonored, whether with or without cause and whether intentionally or inadvertently, the Company shall be under no liability whatsoever even though such dishonor results in the forfeiture of insurance.

## Notice and Consent for Corporate Owned Insurance

I consent to being insured for an initial maximum amount of insurance as indicated in Section C of this application. I understand that my employer when written in Section G and Section J of this application will be the owner and beneficiary of the life insurance policy and may continue to maintain the insurance coverage beyond the term of my employment.

## Indexed Account Disclosure

"S&P®", "Standard & Poor's®", "S&P 500®", "Standard & Poor's 500™", "S&P Global BMI™", "Standard & Poor's Global BMI™", "S&P Global Broad Market Index™", and "Standard & Poor's Global Broad Market Index™" are trademarks of Standard & Poor's Financial Services LLC and have been licensed for use by The Penn Insurance and Annuity Company and its affiliates. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of purchasing this product.

## Representations (Please Read Carefully)

I (we), the Proposed Insured(s), and the Applicant(s) if other than the Proposed Insured(s), and the Applicant(s) on behalf of the Proposed Insured(s), if the Proposed Insured(s) is (are) age 17 or less and the Applicant(s) is (are) authorized under applicable law to make such a representation on behalf of the Proposed Insured(s), represent that the statements and answers in this Part I of the application are written as made by me(us) and are complete and true. I (we) the Proposed Insured(s), or the Applicant(s) if other than the Proposed Insured(s) agree that they will be a part of the contract of insurance if issued, that I (we) will be bound by such statements and answers, and that the Company, believing them to be true, will rely and act upon them. I (we) also understand and agree that:

- 1. Subject to any coverage provided under the terms and provisions of a Temporary Insurance Agreement, if applicable, no insurance coverage will be in force until the first modal premium is paid in full AND a life insurance policy has been issued and delivered to the policy owner while the health, habits, occupation, financial circumstances and other facts relating to the Proposed Insured(s) and to the Payor, if a Payor Benefit is issued, are the same as described in this Part I of the application, any Part II required by the Company, and any amendments or supplements to them.**
2. Notice to or knowledge of an agent or a medical examiner is not notice to or knowledge of the Company, and no agent or medical examiner is authorized to accept risks, to pass upon acceptability for insurance or to modify any contract of insurance.
3. Acceptance of any policy issued based on this application will be a ratification of any amendments or corrections noted by the Company in the space headed "Home Office Amendments and Corrections", except that if required by state statute or regulation, any change in amount, age, plan of insurance, additional benefits or classification must be agreed to in writing.

## Fraud Warning

Fraud Warning: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

**Representations (Continued) Authorization - Write in names of all Proposed Insureds.**

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Name of Proposed Insured 1 (First, Middle, Last) Date of Birth (mm/dd/yyyy)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Name of Proposed Insured 2 (First, Middle, Last) Date of Birth (mm/dd/yyyy)

I, listed above hereby authorize: (a) any physician, health care provider, health plan, medical professional, hospital, clinic, laboratory, pharmacy, pharmacy benefit manager or other medical or health care facility that has provided payment, treatment or services to me or on my behalf; (b) any insurance company; and, (c) MIB, Inc., to disclose my entire medical record and any other protected health information concerning me to the Underwriting Department of The Penn Mutual Life Insurance Company, its subsidiaries, affiliates, third party administrators and reinsurers (herein Company).

I understand that such information may include records relating to my physical or mental condition such as diagnostic tests, physical examination notes, and treatment histories, which may include information regarding the diagnosis and treatment of human immunodeficiency virus (HIV) infection, sexually transmitted diseases, and mental illness, and the use of alcohol, drugs and tobacco, but shall not include psychotherapy notes.

I acknowledge that any agreements I have made to restrict my protected health information do not apply to the Authorization, and I instruct any physician, health care professional, hospital, clinic, medical facility or other health care provider to release and disclose my entire medical record without restriction.

I understand that this information will be used by the Company to determine eligibility for insurance.

I authorize the Company, or its reinsurers, to make a brief report of my personal health information to MIB. I also authorize the Company to disclose any information it obtains about me to any other life insurance company with which I do business. I understand that the Company will not disclose information it obtains about me except as authorized by this Authorization, as may be required or permitted by law, or as I may further authorize. I understand that if information is redisclosed as permitted by this Authorization, it may no longer be protected by applicable federal privacy law.

I understand that: (a) this Authorization shall be valid for 30 months from the date I sign it; (b) I may revoke it at any time by providing written notice to the Underwriting Department of the Company subject to the rights of any person who acted in reliance on it prior to receiving notice of its revocation; and (c) my authorized representative and I are entitled to receive a copy of the Authorization upon request and (d) a copy of this Authorization shall be as valid as the original.

I acknowledge receiving an MIB, Inc. Notice, a Fair Credit Reporting Act Notice and a Notice of Information Practices and authorize Penn Mutual to obtain an investigative or other consumer report as described in the Fair Credit Reporting Act Notice.

**Signatures - If Proposed Insured is under age 18, Parent or Guardian must sign and include relationship.****Signed and Dated by the Applicant in**

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
City State Date (mm/dd/yyyy)

**Signature of Insured (Or Parent/Guardian if Insured is under the age of 18)**

\_\_\_\_\_  
Proposed Insured 1 Proposed Insured 2

**Signature of Owner and/or Applicant if other than the Proposed Insured**

\_\_\_\_\_  
Owner\* Applicant

\*If a Corporation, the signature and title of any authorized officer other than the Proposed Insured(s) is required and the full name of the Corporation must be shown. If a Trust, the signature of the Trustee(s), as required by the Trust document.

\_\_\_\_\_  
Signature of Payor

**Agent's Certification - Be sure to check appropriate block. Each agent present at solicitation must sign.**

I certify to the best of my knowledge the answers to the questions in all parts of this application are true and correct. I further certify to the best of my knowledge this policy ☐ will ☐ will not replace or change any existing life insurance or annuity policy now in force.

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Signature of Agent Date (mm/dd/yyyy) Signature of Agent Date (mm/dd/yyyy)

This Agreement provides a Limited Amount of Life Insurance Protection, for a Limited Period of time, subject to the terms of this Agreement. Advance payment in the amount of \$ \_\_\_\_\_ in connection with the application dated \_\_\_\_\_ is made for Life Insurance on \_\_\_\_\_.

Name of Proposed Insured(s)

**Questions**

- |   | PI1  | PI2  |
|---|--|--|
| 1) Does the total amount of insurance applied for exceed \$5,000,000?   | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2) Is the Proposed Insured less than 15 days old or more than 70 years old (as measured from nearest birthday) on the date this agreement is signed?  | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3) Has the Proposed Insured(s):   |  |  |
| (a) Within the past 2 years, consulted a medical professional, been diagnosed with, received or advised treatment for any heart problem, stroke or cancer?  | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (b) Within the past 90 days have you consulted with or scheduled a consultation with a medical professional for any medical concern?  | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (c) Within the past 90 days, received a recommendation from a physician or other medical practitioner to have any diagnostic test, excluding HIV related tests, treatment or surgery not yet performed? | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| (d) Had any application for Life and/or Disability Insurance declined or postponed within the last 2 years?   | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

If any one of the above questions is answered **YES** or **LEFT BLANK**, no representative of the Company is authorized to accept money; and **NO COVERAGE** will take effect under this Agreement. If the Agreement is submitted to the Company, the Company will consider it void from inception and there will be no coverage under it.

**Terms and Conditions**
**Maximums**
**Issue Age 70 (as measured from nearest birthday), Amount of Coverage \$1,000,000**

If money has been accepted by the Company as advance payment for an application for Life Insurance and a Proposed Insured dies while this temporary insurance is in effect, in accordance with the terms and conditions of the plan applied for, the Company will pay to the beneficiary designated in the application the lesser of (a) the amount of all death benefits applied for in the Application, including any accidental or supplemental death benefits, if applicable, or (b) \$1,000,000. In no event shall the total benefit payable under this Agreement and under any other Temporary Insurance Agreement with the Company exceed \$1,000,000 with respect to ALL Proposed Insured(s).

In order for all or any part of any Accidental Death Benefit amount to be included in the Temporary Insurance Agreement Death Benefit for a Proposed Insured, the Accidental Death Benefit Rider must be applied for with respect to such Proposed Insured, and the death of such Proposed Insured must have been such that the Accidental Death Benefit would be payable if the Accidental Death Benefit Rider of the policy applied for were in force.

**Date Coverage Begins**

**Temporary Life Insurance under this Agreement will begin on the date of this Agreement but only if Sections A through W of the signed Application have been completed on the same date and the modal premium reflected in the application for the policy applied for is received on the date of this Agreement. If an exam is required, the exam must be scheduled within five days of signing this agreement and the results must be received in the Home Office within 30 days of the date of the Agreement.**

**Date Coverage Terminates**

Temporary Life Insurance under this Agreement will terminate on the earliest of:

- (a) On the 31st day after the date of this agreement, if any requested exam results have not been received in the home office or,
- (b) 90 days from the date of the Agreement, or
- (c) the date that insurance takes effect under the policy applied for, or
- (d) the date a policy, other than as applied for, is offered to the Applicant, or
- (e) the date the Company mails notice of termination of coverage and/or returns prepayment to the premium notice address designated in the Application. The Company may terminate coverage at any time.



### Terms and Conditions (continued)

#### Limitations

- (a) In no event will a death benefit be paid under both the Agreement and the policy applied for on the Application.
- (b) Fraud or material misrepresentations in the Application or in the answers to the Health questions of this Agreement invalidate this Agreement and the Company's only liability is for refund of any payment made.
- (c) If the Proposed Insured dies by suicide, the Company's liability under this Agreement is limited to a refund of payment made.
- (d) There is no coverage under this Agreement if the check or draft submitted as payment is not honored by the bank.
- (e) No one, including an agent or broker, is authorized to waive or modify any of the terms or conditions of this agreement.

#### Signatures

**I (we) have received a copy of and have read this agreement and declare that the answers are complete and true. I (we) understand and agree to all its terms.**

Date of this Agreement is (mm/dd/yyyy) \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

\_\_\_\_\_  
Signature of Proposed Insured 1 (If Proposed Insured is under age 18, parent or guardian must sign.)

\_\_\_\_\_  
Applicant (if other than Proposed Insured)

\_\_\_\_\_  
Signature of Proposed Insured 2 (if applicable)

\_\_\_\_\_  
Signature of Soliciting Agent - Licensed Resident Agent Where Required by Law

**NOTICE:** The Applicant should retain a copy of this agreement; the original will be retained by the Company. All checks must be made payable to the company designated above. Do not make check payable to the agent or leave check blank.

<b>State:</b>	Arkansas	<b>Filing Company:</b>	Penn Mutual Life Insurance Company
<b>TOI/Sub-TOI:</b>	L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life		
<b>Product Name:</b>	IFL-12, etc.		
<b>Project Name/Number:</b>	IFL-12, etc./IFL-12, etc.		

## Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Flesch Certification		
Comments:			
Attachment(s):			
Flesch Cert - AR.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Statement of Variability		
Comments:			
Attachment(s):			
Stmt_of_Variability-Policy non-compact.pdf			
SOV PM1143GEN - Non-Compact.pdf			

		Item Status:	Status Date:
Satisfied - Item:	Certifications		
Comments:	Please find the attachcd certification frequired or Regulation 19. Also attached are the required certifications under the Arkansas External Indexed Guidelines.		
Attachment(s):			
Certification - Rule 19.pdf			
Certification - Summary Disclosure.pdf			
Certification - Agent Education.pdf			
Certification - Reserves.pdf			
Certification - Hedging.pdf			


**The Penn Mutual Life Insurance Company**

**CERTIFICATION**

"This is to certify that the form listed below is in compliance with the requirements of Ark. Stat. Ann. 66-3251 through 66-3258, cited as the Life and Disability Insurance Policy Language Simplification Act."

<u>Form</u>	<u>Form #</u>	<u>Flesch Score</u>
Flexible Premium Adjustable Indexed Life Insurance Policy	IFL-12	48.8
Rider – Overloan Protection Benefit	OPB-12	45.4
Rider – Children’s Term Insurance	CTI -12	50.2
Rider – Surrender Benefit Enhancement	SBE -12	48.8
Rider – Waiver of Surrender Charge	WSC-12	48.1
Rider – Supplemental Term Insurance	STI -12	45.4
Rider – Accidental Death Benefit	ADB-12	46.0
Rider – Disability Waiver of Stipulated Premium	WSP-12	47.1
Rider – Disability Waiver of Monthly Deductions	WMD-12	45.0
Rider – Supplemental Exchange	SE-12	59.6
Rider – Additional Insured Term Insurance	AITI-12	50.1
Rider – Guaranteed Increase Option	GIO-12	50.2
Rider – Return of Premium Term Insurance	ROP-12	47.7
Rider – Accelerated Death Benefit for Terminal Condition	ACDB-12	46.0
Life Application	PM1143GEN	*
Temporary Insurance Agreement	PM1146GEN	*

\* Meets the minimum score of 40 achieved when combined with the appropriate policy forms.

  
\_\_\_\_\_  
Raymond G. Caucci, FSA, MAAA  
Vice President, Product Management

June 27, 2012

### Statement of Variability

Company Name: Penn Mutual Life Insurance Company  
Actuary Name: Andrew Martin, FSA, MAAA  
Actuary Title: Assistant Vice President & Actuary  
Date: June 27, 2012  
Form Numbers: IFL-12, OPB-12, CTI-12, SBE-12, WSC-12, STI-12, ADB-12, WSP-12, WMD-12, SE-12, AITI-12, GIO-12, ROP-12, ACDB-12

Variability is denoted by the use of { } and shall be administered in a uniform and non-discriminatory manner and shall not result in unfair discrimination. Changes in any variable information would only be applicable to new issues and would not apply to inforce contracts.

<u>Item</u>	<u>Location of Item</u>	<u>Description of Variability</u>
Company Address, Officer Signatures and Titles	Front Cover & Back Cover of Policy	Any change to the address of the company contact information (location and mailing address) will be submitted to the Department. Signatures and Title will vary based on the officers holding the positions and any change to the titles of those officers.
Page 3	Page 3	State Department Address will vary based on State it is issued in.
Insured	Page 3	Will vary based on covered individual
Policy Number	Page 3	Will vary for each individual policy
Specified Amount	Page 3	Will vary based on the owner's financial objective
Age	Page 3	Age will vary as the issue ages are 0-85. Male will vary based on the insured's gender (if applicable). If this were a unisex policy, Unisex would print.
Rate Class	Page 3	Will vary based on the insured's rate classification from one of the following: Standard Tobacco, Preferred Tobacco, Standard Nontobacco, Preferred Nontobacco, Preferred Plus Nontobacco, Rated Nontobacco (% extra), Rated Tobacco (% extra), Rated Nontobacco ((until xx-xx-xx) (flat)), Rated Tobacco ((until xx-xx-xx) (flat)).
Life Insurance Qualification Test	Page 3	Either the Guideline Premium Test or Cash Value Accumulation Test will appear depending on the applicant's choice.
Death Benefit Option	Page 3	Will vary depending on applicant's choice (Level or Increasing)
Issue State	Page 3	Will vary depending on the state of application
Policy Date	Page 3	Will vary for each policy
Date of Issue	Page 3	Will vary for each policy
Maturity Date	Page 3	Will vary based on the insured's issue age and a maturity age of 121
Policy Value Enhancement Date	Page 3	Will vary based on the policy date
Planned initial premium	Page 3	Will vary based on the owner's financial objective
Guideline Annual Premium	Page 3	Will vary for each policy (only applicable if GPT is chosen)
Guideline Single Premium	Page 3	Will vary for each policy (only applicable if GPT is chosen)
Mode	Page 3	Will vary depending on applicant's choice
Initial Premium Allocation	Page 3	The Percentage will vary based on the owner's selection (ranging from 0% to 100%). The accounts shown will vary based on the accounts available on date of issue

No-Lapse Premium (monthly)	Page 3	The initial No-Lapse Premium will vary based on the specified amount, supplemental riders, and the insured's age, gender, and rate class
No-Lapse Period End Date	Page 3	Will vary based on the policy date and the age of the insured
Maximum Surrender Charge Premium	Page 3	Will vary based on the specified amount and the insured's age, gender, and rate class
Surrender Charge per thousand of initial Specified Amount premium	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from \$25 -\$50). Any changes would be filed with the state/interstate compact and would only apply to new issues.
Surrender Charge per thousand of increase amount premium	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from \$25 -\$50). Any changes would be filed with the state/interstate compact and would only apply to new issues.
Initial Maximum Surrender Charge	Page 3	Will vary based on the specified amount and the insured's age, gender, and rate class
Maximum Percent of Premium Charge	Page 3	Will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
Maximum Monthly Per Policy Expense Charge	Page 3	Will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
Maximum Monthly Expense Charge per \$1,000 of Specified Amount (for the first 120 months following the policy date)	Page 3	Will vary based each insured's rate class, issue age and gender. This charge will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
Maximum Monthly Expense Charge per \$1,000 of Specified Amount (for the first 120 months following an increase in Specified Amount)	Page 3 & Add'l Policy Specifications	Will vary based each insured's rate class, issue age and gender. This charge will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
Guaranteed Minimum Interest Rate	Page 3	Will vary in the event the company wants to change for competitive positioning or external interest rate environment (ranging from 1% - 3%). Any changes would be filed with the state/interstate compact and would only apply to new issues.
Death Benefit Discount Factor	Page 3	Will vary in conjunction with the guaranteed minimum interest rate (ranging from 1.0008295 to 1.0024663). Any changes would be filed with the state/interstate compact and would only apply to new issues.
Policy Value Enhancement	Page 3	Will vary in the event the company wants to change for competitive positioning or external interest rate environment (ranging from 0.10% - 0.50%). Any changes would be filed with the state/interstate compact and would only apply to new issues.
Indexed Loan Interest Rates	Page 3	Will vary by policy year but will be the same for all insureds unless/until the company wants to change for competitive positioning or external interest rate environment (ranging from 4% - 8%). Any changes would only apply to new issues.

Minimum Allocation to the Dollar Cost Averaging Account	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with account (ranging from \$100 -\$2000). Any changes would only apply to new issues.
Minimum Premium Payment	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with premiums (ranging from \$10 -\$200). Any changes would only apply to new issues.
Minimum Partial Withdrawal	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with withdrawals (ranging from \$100 -\$2000). Any changes would only apply to new issues.
Minimum Specified Amount	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from \$10,000 -\$250,000). Any changes would only apply to new issues.
Partial Withdrawal processing fee percentage	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with withdrawals (ranging from 1% -10%). Any changes would only apply to new issues.
Partial Withdrawal processing fee dollar amount	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with withdrawals (ranging from \$10 -\$200). Any changes would only apply to new issues.
Minimum Allocation to Indexed Account	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with accounts (ranging from \$10 -\$200). Any changes would only apply to new issues.
Minimum Transfer to Indexed Account	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with accounts (ranging from \$10 -\$200). Any changes would only apply to new issues.
Minimum Specified Amount Change	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from \$10,000 -\$250,000). Any changes would only apply to new issues.
Maximum Fee for Projection of Benefits and Values	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with providing projections (ranging from \$10 -\$200). Any changes would only apply to new issues.
Minimum Amount to Apply for Income Payment Option	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with income options (ranging from \$1,000 -\$100,000). Any changes would only apply to new issues.
Minimum Income Payment	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with income options (ranging from \$10 -\$200). Any changes would only apply to new issues.
Total of Income Option 3 Payments	Page 3	Will vary in the event the company wants to change for competitive positioning or additional expenses associated with income options (ranging from \$10 -\$200). Any changes would only apply to new issues.
Dollar Cost Averaging Period	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 6 -18 months). Any changes would only apply to new issues.

Indexed Accounts	Additional Policy Specifications	Any Indexed Accounts offered as of the Policy Date are described in the Additional Policy Specifications. We may add additional Indexed Accounts or remove Indexed Accounts for future allocation. Any change would be filed with the state/interstate compact. A Segment that had begun prior to the removal of an indexed account will not be changed to a new or replaced Indexed Account until its Segment Maturity.
Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
Income Payment Option Table	Section 14	Will vary in the event the company wants to change for competitive positioning or changes to mortality or interest rates. Any changes would be filed with the state/interstate compact and would only apply to new issues.
Unisex variations (Cost of Insurance Rate)	Section 10	For unisex policies, the maximum Cost of Insurance Rate table mentioned in section 10 will be changed to the 2001 Commissioners Standard Ordinary (80) Smoker and Nonsmoker Ultimate Mortality Table, Age Nearest Birthday
Unisex variations (Misstatement of Age)	Section 12 & Supplemental Term Insurance Rider & Additional Insured Rider	For unisex policies, the Misstatement of Age or Sex provisions will be changed to a Misstatement of Age provision and references to Sex will be removed.
Table of Death Benefit Factors	Additional Policy Specifications	Will vary based on Life Insurance Qualification test chosen by applicant

## Riders:

**Highlighted Riders are included in the Sample Policy.**

### Rider - Supplemental Term Insurance;

Amount	Page 3	Will vary based on owner's choice.
Policy Value Enhancement Date	Page 3	Will vary based on Policy Date.
Policy Value Enhancement	Page 3	Will vary in the event the company wants to change for competitive positioning or external interest rate environment (ranging from 0.10% - 0.50%). Any changes would be filed with the state/interstate compact and would only apply to new issues.
Maximum Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first 120 months following the policy date)	Page 3	Will vary based each insured's rate class, issue age and gender. This charge will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.

Maximum Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first 120 months following an increase in Specified Amount)	Page 3 & Add'l Policy Specifications	Will vary based each insured's rate class, issue age and gender. This charge will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
Termination Date	Page 3	Will vary based on the insured's issue age and a maturity age of 121.
<b>Rider - Overloan Protection Benefit;</b>		
Minimum Age	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 60 -90). Any changes would only apply to new issues.
Minimum Years	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 5 -30). Any changes would only apply to new issues.
Specified Loan Percentage	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 80% -99%). Any changes would only apply to new issues.
One Time Charge	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 1% -20%). Any changes would only apply to new issues.
<b>Rider - Disability Waiver of Monthly Deductions;</b>		
Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
<b>Rider - Disability Waiver of Stipulated Premium</b>		
Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000 (for the Waiver of Monthly Deductions Benefit)	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000 (for the Deposit of Stipulated Premium Benefit)	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
Stipulated Premium	Page 3	Will vary based on each insured's rate class, issue age, gender (if applicable), and specified amount.
<b>Children's Term Insurance Rider;</b>		
Amount	Page 3	Will vary based on owner's choice.



Maximum Monthly Expense Charge per \$1,000 of Specified Amount	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 0.10 -0.90). Any changes would only apply to new issues.
<b>Accidental Death Benefit;</b>		
Amount	Page 3	Will vary based on owner's choice.
<b>Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000</b>	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
<b>Guaranteed Increase Option;</b>		
Amount	Page 3	Will vary based on owner's choice.
Regular Option Date Ages	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 22 -60). Any changes would only apply to new issues.
Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
<b>Return of Premium Term Insurance;</b>		
Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
<b>Additional Insured Term Insurance;</b>		
Amount	Page 3	Will vary based on owner's choice.
Age	Page 3	Age will vary as the issue ages are 0-85. Female will vary based on the additional insured's gender (if applicable). If this were a unisex policy, unisex would print.
Rate Class	Page 3	Will vary based on the additional insured's rate classification from one of the following: Standard Tobacco, Preferred Tobacco, Standard Nontobacco, Preferred Nontobacco, Preferred Plus Nontobacco, Rated Nontobacco (% extra), Rated Tobacco (% extra), Rated Nontobacco ((until xx-xx-xx) (flat)), Rated Tobacco ((until xx-xx-xx) (flat)).
Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
Guaranteed Maximum Monthly COI Rates for the Waiver of the Monthly Deductions per \$1,000	Additional Policy Specifications	Will vary based on each insured's rate class, issue age, gender (if applicable), reclassification and policy duration.
Maximum Monthly Expense Charge per \$1,000 of Specified Amount (for first year of rider)	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 0.05 -0.75). Any changes would only apply to new issues.

Maximum Monthly Expense Charge per \$1,000 of Specified Amount (for first year after increase to rider)	Page 3	Will vary in the event the company wants to change for competitive positioning (ranging from 0.05 -0.75). Any changes would only apply to new issues.
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**Waiver of Surrender Charges;**

Maximum Monthly Expense Charge per \$1,000 of Specified Amount	Page 3	Will vary based each insured's rate class, issue age and gender. This charge will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
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Maximum Monthly Expense Charge per \$1,000 of Specified Amount (for any increases in Specified Amount)	Page 3 & Add'l Policy Specifications	Will vary based each insured's rate class, issue age and gender. This charge will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
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**Rider - Surrender Benefit Enhancement**

Maximum Monthly Expense Charge per \$1,000 of Specified Amount	Page 3	Will vary based each insured's rate class, issue age and gender. This charge will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
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Maximum Monthly Expense Charge per \$1,000 of Specified Amount (for any increases in Specified Amount)	Page 3 & Add'l Policy Specifications	Will vary based each insured's rate class, issue age and gender. This charge will vary in the event the Company would need to offset expenses outside the control of the Company or competitive positioning. Any changes would be filed with the state/interstate compact and would only apply to new issues.
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Officer's Signature on All Riders	Last page of each Rider	Will vary based on the officers holding the positions and any change to the titles of those officers.
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**THE PENN MUTUAL LIFE INSURANCE COMPANY**

**STATEMENT OF VARIABILITY**

Company Name:	Penn Mutual Life Insurance Company
Actuary Name:	Andrew Martin, FSA, MAAA
Actuary Title:	Assistant Vice President and Actuary
Date:	06/27/12
Form Number:	PM1143GEN

Enclosed is the life application with would be used the life products and riders marketed and sold by the company. Variability is denoted by the use of { } and shall be administered in a uniform and non-discriminatory manner and shall not result in unfair discrimination. Changes in any variable information would only be applicable to new issues and would not apply to inforce contracts.

<b><u>Page Number</u></b>	<b><u>Description</u></b>
Pg 2 of 13 (Section D)	Section D is bracketed in its entirety. If new riders or benefits become available with a product, or deleted from a product, we would like the flexibility to add or remove them without having to refile the application.
Page 5 of 13 (Section M)	Section M is bracketed in its entirety. The billing information could change if different payment modes are added or deleted and the premium allocation accounts could also change depending on the products added or deleted from sale by the company. Additionally, the investment accounts reference could change, deleted, and new ones added by the company.
Page 12 of 13	Brackets around the Fraud Notices allow for flexibility to change these notices if state regulation requires us to do so.

CERTIFICATE OF COMPLIANCE

Arkansas Insurance Department  
Rule 19

I certify that I have reviewed the forms submitted in this filing and find that said forms meet the provisions of Arkansas Rule 19 as well as all applicable requirements of the Arkansas Department of Insurance.

THE PENN MUTUAL LIFE INSURANCE COMPANY

A handwritten signature in black ink, appearing to read "Andrew W. Martin", is written over a horizontal line.

Andrew W. Martin FSA, MAAA  
Assistant Vice President & Actuary

August 6, 2012

## **CERTIFICATE OF COMPLIANCE**

Arkansas Insurance Department

Summary Disclosure  
External Indexed Contract Guidelines

I certify that I have reviewed the form(s) submitted with this filing and hereby certify that a Contract Summary Disclosure will be delivered no later than the completion of the application for the contract.

I further certify that such Disclosure will be in accordance with the Arkansas External Indexed Contract Guidelines.

THE PENN MUTUAL LIFE INSURANCE COMPANY



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Andrew W. Martin FSA, MAAA  
Assistant Vice President & Actuary

August 6, 2012

**CERTIFICATE OF COMPLIANCE**

Arkansas Insurance Department

Agent Education  
External Indexed Contract Guidelines

I certify that form(s) submitted with this filing will not be solicited by any person who is not trained and qualified.

THE PENN MUTUAL LIFE INSURANCE COMPANY

A handwritten signature in dark ink, appearing to read "Andrew W. Martin", is written over a horizontal line.

Andrew W. Martin FSA, MAAA  
Assistant Vice President & Actuary

August 6, 2012

## **CERTIFICATE OF COMPLIANCE**

Arkansas Insurance Department

Reserves

External Indexed Contract Guidelines

I certify that the company will address external-indexed contracts separately in the annual (Section 8) actuarial opinion and memorandum addressing each year the amount and type of assets held, the level of reserves and how developed.

THE PENN MUTUAL LIFE INSURANCE COMPANY

A handwritten signature in dark ink, appearing to read "Andrew W. Martin", is written over a horizontal line.

Andrew W. Martin FSA, MAAA  
Assistant Vice President & Actuary

August 6, 2012

## **CERTIFICATE OF COMPLIANCE**

Arkansas Insurance Department

Hedging

External Indexed Contract Guidelines

I certify that the company will establish and maintain a detailed file defining the system for hedging. Such file will include the results of regular analysis of the effectiveness of the system.

THE PENN MUTUAL LIFE INSURANCE COMPANY



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Andrew W. Martin FSA, MAAA  
Assistant Vice President & Actuary

August 6, 2012



SERFF Tracking #:

PNMU-128516500

State Tracking #:

Company Tracking #:

IFL-12, ETC.

State: Arkansas

Filing Company:

Penn Mutual Life Insurance Company

TOI/Sub-TOI: L09I Individual Life - Flexible Premium Adjustable Life/L09I.001 Single Life

Product Name: IFL-12, etc.

Project Name/Number: IFL-12, etc./IFL-12, etc.

## Superceded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
08/08/2012	Form	Flexible Premium Adjustable Indexed Life Insurance	08/16/2012	IFL-12-AR 8-6-12.pdf (Superceded)
08/07/2012	Form	Rider – Supplemental Term Insurance	08/16/2012	STI-12-AR.pdf (Superceded)
08/07/2012	Form	Rider – Additional Insured Term Insurance	08/16/2012	AITI-12-AR.pdf (Superceded)
08/07/2012	Form	Rider – Children's Term Insurance	08/16/2012	CTI-12-AR.pdf (Superceded)
06/26/2012	Form	Flexible Premium Adjustable Indexed Life Insurance	08/08/2012	Policy IFL-12 Non-Compact.pdf (Superceded)
06/26/2012	Form	Rider – Children's Term Insurance	08/07/2012	CTI-12.pdf (Superceded)
06/26/2012	Form	Rider – Supplemental Term Insurance	08/07/2012	STI-12.pdf (Superceded)
06/26/2012	Form	Rider – Additional Insured Term Insurance	08/07/2012	AITI-12.pdf (Superceded)
06/26/2012	Form	Rider – Guaranteed Increase Option	08/07/2012	GIO-12.pdf (Superceded)
06/26/2012	Form	Rider – Return of Premium Term Insurance	08/07/2012	ROP-12.pdf (Superceded)
06/26/2012	Form	Rider – Accelerated Death Benefit for Terminal Condition	08/07/2012	ACDB-12 .pdf (Superceded)



## The Penn Mutual Life Insurance Company

**Insured: William Penn**

**Policy Number: 8888888**

**Specified Amount \$100,000**

(Level Death Benefit Option)

**Policy Date: April 1, 2012**

**Date of Issue: April 1, 2012**

The Penn Mutual Life Insurance Company agrees, subject to the provisions of this policy, to pay the Death Benefit to the Beneficiary upon receipt of due proof of the death of the Insured. The Penn Mutual Life Insurance Company also agrees to provide all of the other benefits stated in this policy.

This contract is made in consideration of the payment of premiums as provided in this policy. The provisions on this and the following pages are part of this policy.

Although an external index or indices may affect the policy values, the policy itself does not directly participate in any stock or equity investments. The benefits, values, periods of coverage or premiums are on an indeterminate basis. The initial interest rate for the Fixed Account is guaranteed only for a limited period of time.

Executed on the Date of Issue by the Penn Mutual Life Insurance Company.



Managing Corporate Counsel  
and Secretary



President and  
Chief Executive Officer

**FREE LOOK PERIOD** - This policy may be canceled by returning it within 10 days after it is received by the policyowner. If this policy is a Replacement Policy it may be cancelled by returning it within 30 days after it is received by the policyowner. In either situation, it must be returned to the Penn Mutual Life Insurance Company or to the agent through whom it was purchased. This policy will then be considered void as of its inception. Any premium paid on it will be refunded.

**READ YOUR POLICY CAREFULLY.** This policy is a legal contract between the Owner and the Penn Mutual Life Insurance Company.

### Flexible Premium Adjustable Indexed Life Insurance Policy

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Indexed Account Feature
- Participating
- Supplemental benefits, if any, listed on Page 3

# Guide to Policy Sections

- |                                    |                                    |
|------------------------------------|------------------------------------|
| 1. Policy Specifications           | 8. Death and Maturity Benefits     |
| 2. Endorsements                    | 9. Surrender of Policy             |
| 3. Qualification as Life Insurance | 10. Basis of Computation of Values |
| 4. Premiums                        | 11. Policy Changes                 |
| 5. Lapse and Reinstatement         | 12. General Provisions             |
| 6. Policy Loans                    | 13. Income Payment Options         |
| 7. Owner and Beneficiary           | 14. Income Payment Option Table    |

Additional Policy Specifications, any Supplemental Agreements and a copy of any applications follow Section 14.

# 1. Policy Specifications

Insured: **William Penn**  
Policy Number: **8888888**  
Specified Amount: **\$100,000**

## Important Dates

Policy Date: April 1, 2012  
Date of Issue: April 1, 2012  
Maturity Date: April 1, 2098 \*

Age: 35 Male  
Rate Class: Standard Non-Tobacco  
Life Insurance Qualification Test: Guideline Premium  
Death Benefit Option: Level  
Issue State: PA

Your State Insurance Department contact information:

PA Insurance Department  
1326 Strawberry Square  
Harrisburg, PA 17120  
(717) 783-1969

## Benefits and Riders

Name	Amount	Other Information
Supplemental Term Insurance	\$100,000	Policy Value Enhancement Date: April 1, 2022  Policy Value Enhancement: 0.15%  Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first 120 months following the policy date): \$0.572  Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first 120 months following an increase in Specified Amount): See Additional Policy Specifications  Termination Date: April 1, 2098
Overloan Protection Benefit	n/a	Minimum Age: 75  Minimum Years: 15  Specified Loan Percentage: 96%  One Time Charge: 3.5%
Supplemental Exchange	n/a	n/a
Accelerated Death Benefit for Terminal Condition	n/a	n/a
Disability Waiver of Monthly Deductions	n/a	n/a

Accidental Death Benefit	\$100,000	n/a
Guaranteed Increase Option	n/a	Option Amount \$100,000 Option Date Ages: 22,25,28,31, 34,37 and 40
Children's Term Insurance	\$10,000	Max. Monthly Expense Charge per \$1,000 of Specified Amount \$0.24
Return of Premium	n/a	n/a
Additional Insured Term Insurance	\$100,000	Age 35 Female Rate Class Standard Non-Tobacco Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first year of the rider): \$0.10 Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first year after increase to rider): \$0.10
Waiver of Surrender Charges	n/a	Max. Monthly Expense Charge per \$1,000 of Specified Amount \$0.24 Max. Monthly Expense Charge per \$1,000 of Specified Amount (for any increase in Specified Amount) See Additional Policy Specifications

## Premiums

Planned Initial Premium	\$2,836.66
Planned Payment Frequency	Annual
Guideline Annual Premium	\$2,836.66
Guideline Single Premium	\$35,091.66

## Initial Premium Allocation

Account	% of Premium
1 Year S&P 500 Indexed Account	100%

## No Lapse Guarantee

The monthly No-Lapse Premium is \$170.00.  
The No-Lapse Period End Date is April 1, 2042.

Although the policy will remain in effect until the No-Lapse Period End Date if the No-Lapse Guarantee Requirement is satisfied, you may be forgoing the advantage of building up a significant policy value.

## Surrender Charges

Maximum Surrender Charge Premium: \$2,160.00  
Initial Maximum Surrender Charge: \$1,944.00  
Surrender Charge per thousand of initial Specified Amount premium: \$25.00  
Surrender Charge per thousand of increase amount premium: \$25.00

Policy Year	Surrender Factors
1	100%
2	89%
3	78%
4	67%
5	56%
6	45%
7	34%
8	23%
9	12%
10 and later	0%

## Expense Charges

Maximum percent of premium charge	8%
Maximum monthly per policy expense charge	\$9.00
Maximum monthly expense charge per \$1,000 of Specified Amount (for the first 120 months following the policy date)	\$0.422
Maximum monthly expense charge per \$1,000 of Specified Amount (for the first 120 months following an increase in Specified Amount)	See Additional Policy Specifications

## Interest Rates

<b>Guaranteed Minimum Interest Rate</b>	1% Annual Rate 0.08295% Monthly Rate
<b>Death Benefit Discount Factor</b>	1.0008295
<b>Policy Value Enhancement</b>	0.30%
<b>Policy Value Enhancement Date</b>	April 1, 2022
<b>Indexed Loan Interest Rate</b>	6% Policy Years 1-10 5.5% Policy Years 11 & After

## Minimums

<b>Minimum Premium Payment</b>	\$25.00
<b>Minimum Allocation to Dollar Cost Averaging Account</b>	\$600.00
<b>Minimum Allocation to Indexed Account</b>	\$25.00
<b>Minimum Transfer to Indexed Account</b>	\$25.00
<b>Minimum Specified Amount</b>	\$50,000.00
<b>Minimum Specified Amount Change</b>	\$10,000.00
<b>Minimum Partial Withdrawal</b>	\$250.00
<b>Minimum Amount to Apply for Income Payment Option</b>	\$5,000.00
<b>Minimum Income Payment</b>	\$50.00
<b>Minimum Total of Income Option 3 Payments</b>	\$75.00

## Fees

<b>Partial Withdrawal processing fee percentage</b>	2%
<b>Partial Withdrawal processing fee dollar amount</b>	\$25
<b>Maximum Fee for Projection of Benefits and Values</b>	\$25

## Important Notices

The owner and beneficiary are as provided in the application or as amended.

Your annual statement will include important notices on when your policy may lapse based on interest rates, expenses, cost of insurance rates and premium payments.

Insurance will terminate if the premiums paid and the interest credited are insufficient to cover the monthly deductions, except as provided in section 4.

Section 7702A of the Internal Revenue Code of 1986 establishes a class of life insurance contracts designated as "Modified Endowment Contract." The rules relating to whether a policy will be treated as a Modified Endowment Contract are extremely complex. Please consult a qualified tax advisor regarding your own personal situation.

The Dollar Cost Averaging Period is 12 months.



In this Policy, “We”, “Us”, or “Our” means The Penn Mutual Life Insurance Company; “You” and “Your” means the Owner of the Policy; and “Insured” means the person whose life is covered under the Policy.

### 3. Qualification as Life Insurance

The life insurance qualification test for this Policy will be the Guideline Premium Test unless otherwise elected in the application. The test for this Policy is shown on Page 3. The test may not be changed at any time after the Policy is issued.

We may limit premium payments as necessary in order to qualify the Policy as a life insurance contract under Section 7702. No payment will be returned or refused if it is necessary to continue coverage.

**Guideline Premium Test**—Under this test, the amount of premium that can be paid in a policy year may not exceed the Maximum Premium Limit. The limit for a policy year is the largest amount of premium which can be paid in that policy year such that the sum of the premiums paid will not at any time exceed the guideline premium limitation. The limitation is referred to in Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor thereto. The Maximum Premium Limit for the following policy year will be shown on the Annual Report.

In addition, a minimum margin must exist between the Death Benefit and the Policy Value. The margin is defined in Section 7702 and is based on the attained age of the Insured. The Basic Death Benefit will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section for further details.

**Cash Value Accumulation Test**—Under this test, the Policy Value cannot at any time exceed the net single premium required to fund the future benefits under the Policy. The net single premium is defined in Section 7702 of the Internal Revenue Code. The Basic Death Benefit will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section and the Contract provision for further details.

### 4. Premiums

**Payment of Premiums**—Premiums are payable while this Policy is in force until the Maturity Date. The first premium is due on or prior to the Date of Issue. Premiums after the first may be paid in any amount and at any interval subject to the following conditions:

- (1) No premium payment may be less than the minimum as shown on Page 3.
- (2) We require submission of evidence of insurability on subsequent premiums that cause an immediate increase in the difference between the Death Benefit and the Policy Value. The increase will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date. Any application for such increase will be attached to and made a part of the Policy.
- (3) If the Guideline Premium Test is in effect, total premiums paid in any policy year may not exceed the Maximum Premium Limit for that policy year. If excessive premium is paid we are authorized to refund only the portion that is over the limit. No payment will be returned or refused if it is necessary to continue coverage.

Each premium after the first is payable at our Home Office. A receipt signed by the President or the Secretary will be given on request. If a loan is outstanding, deposits not designated as premium or loan repayment will be applied as premium payments.

**No-Lapse Guarantee Requirement**—The requirement prevents the lapse of the Policy when the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following month. The requirement ceases on the No-Lapse Period End Date shown on Page 3. To satisfy the requirement, (a) minus (b) must equal or exceed (c), where:

- (a) is the sum of all premiums paid on this Policy;
- (b) is the sum of any partial withdrawals; and
- (c) is the No-Lapse Premium multiplied by the number of elapsed months since the Policy Date.

A change in the Specified Amount, the addition or deletion of any supplemental riders to this Policy, or a change in the rate class of the Insured may result in a change in the No-Lapse Premium. The No-Lapse Period End Date will not be changed.

We will continue to deduct Monthly Deductions from the Policy Value while the Policy is in force under the requirement. The Policy will remain in force with a negative Policy Value if the requirement is satisfied. We will not credit interest to the negative Policy Value. The Net Amount at Risk will not exceed the Basic Death Benefit divided by the Death Benefit Discount Factor due to the negative Policy Value. The Net Cash Surrender Value on the No-Lapse Period End Date may be insufficient to keep the policy in force. An additional payment may be necessary.

**No-Lapse Premium**—The No-Lapse Premium is the amount shown on Page 3.

**No-Lapse Guarantee Requirement Restrictions**—If the Return of Premium Term Insurance Rider is attached to this Policy, this requirement section does not apply to the Term Insurance Benefit associated with that Rider.

If there is any Policy Debt on the Policy, this requirement section does not apply. Therefore, the Policy would enter the grace period if the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following month. You can reinstate the requirement by repaying the Policy Debt.

**Continuation of Insurance**—If all premium payments cease, this Policy will continue, subject to the Grace Period Provision, for as long as the values in this Policy are sufficient to keep it in force. The Policy will continue in accordance with the provisions of this Policy and any supplemental riders attached to this Policy.

**Grace Period**—If, on a Monthly Anniversary prior to the No-Lapse Period End Date shown on Page 3:

- (a) the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month; and
- (b) the No-Lapse Guarantee Requirement is not satisfied,

then a grace period of 61 days will be allowed for the payment of a premium for the grace period plus sufficient premium to keep this Policy in force for one month.

If, on a Monthly Anniversary on or after the No-Lapse Period End Date shown on Page 3, the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month, a grace period of 61 days will be allowed for the payment of a premium sufficient to pay the Monthly Deduction.

Notice of the amount of premium required to be paid during the grace period to keep this Policy in force will be sent to your last known address. The notice will be sent at least 30 days before the end of the 61-day grace period. This Policy will remain in force during the grace period.

## 5. Lapse and Reinstatement

**Lapse**—If a premium sufficient to keep this Policy in force is not paid during the grace period, this Policy will lapse at the end of the grace period. At lapse this Policy will terminate without value and cease to be in force.

**Reinstatement**—This Policy may be reinstated within five years after lapse. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

The effective date of a reinstatement will be the date of our approval of the application for reinstatement. Such application will be attached to and made a part of the reinstated policy. Following reinstatement, the Policy Date continues to be the date shown on Page 3.

The policy value on the date of reinstatement is the sum of:

- (a) the policy value at the beginning of the grace period of lapse, including any Policy Debt;
- (b) interest on (a) at the Guaranteed Minimum Interest Rate per year until the date of reinstatement;
- (c) any dividend credited to the policy;
- (d) interest on (c) at the Guaranteed Minimum Interest Rate until the date of reinstatement; and
- (e) the payment made upon reinstatement reduced by the percent of premium charge

less the sum of:

- (a) the Monthly Deductions for the grace period;
- (b) interest on (a) at the Guaranteed Minimum Interest Rate per year until the date of reinstatement; and
- (c) the Monthly Deduction for the policy month following the date of reinstatement.

The surrender charge set forth in the Surrender of Policy Section will continue to apply to any surrender of this Policy following reinstatement. The surrender charge will be calculated based on the Policy Date and will include the period while the Policy was lapsed.

Following reinstatement, the provisions of No-Lapse Guarantee Requirement set forth in Premium Section will again be applicable until the No-Lapse Period End Date shown on Page 3. There must be no Policy Debt on the Policy.

Sufficient premium must be paid so that, as of the effective date of reinstatement, (a) minus (b) equals or exceeds (c), where:

- (a) is the sum of all premiums paid on this Policy;
- (b) is the sum of any partial withdrawals; and
- (c) is the No-Lapse Premium multiplied by the number of elapsed months since the Policy Date.

## 6. Policy Loans

**Policy Loan**—You may obtain a loan while this Policy is in force during the life of the Insured. The loan, plus any existing Policy Debt, may not be greater than the Loan Value of this Policy on the date of the loan.

We may defer making a loan for up to six months from the date of the loan request. However, a loan to pay a premium due on a policy we issued will not be deferred.

At the time of the first loan, you must choose one of two loan options called the Traditional Loan Option and the Indexed Loan Option. You may have only one loan option active at any point in time.

**Loan Value**—The Loan Value is that amount which, with interest at the then current loan interest rate on this Policy, will accumulate to the projected cash surrender value at the next policy anniversary. The projected cash surrender value at the next policy anniversary is the current cash surrender value projected from the date as of which the Loan Value is being determined to the next policy anniversary.

**Traditional Loan Option**—When a Traditional Loan is taken, an amount equal to the amount of the loan will be withdrawn from the Policy Value. The amount will be placed in the Policy Loan Account. The withdrawal will be made from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, the withdrawal will be made from the Dollar Cost Averaging Account.

You can switch from the Traditional Loan Option by transferring the entire loan balance to the Indexed Accounts by way of the Holding Accounts on a policy anniversary. You also can switch options after repaying the entire loan balance.

**Traditional Loan Interest**—Traditional Loans will bear interest at an adjustable loan interest rate. We will determine the Traditional Loan interest rate as of the first day of each calendar year. Such rate will be effective on the date as of which it is determined. It will apply to any new or outstanding Traditional Loan under this Policy during the calendar year.

The Traditional Loan interest rate will be determined by comparing the rate in effect for the preceding calendar year with a maximum interest rate defined by law and described below. Any change in the Traditional Loan interest rate will be subject to the following:

- (1) The Traditional Loan interest rate will be lowered to be equal to or less than the legal maximum interest rate if such legal maximum interest rate is 1/2% or more lower than the loan interest rate in effect during the preceding calendar year.
- (2) The Traditional Loan interest rate may be increased, by at least 1/2% but not higher than the legal maximum interest rate, if the legal maximum interest rate is 1/2% or more higher than the loan interest rate in effect during the preceding calendar year.

The legal maximum interest rate used in determining the loan interest rate is the greater of:

- (a) Moody's Corporate Bond Yield Average — Monthly Average Corporates as published by Moody's Investors Service, Inc. for the calendar month ending two months prior to the date as of which the loan interest rate is determined; or
- (b) The Guaranteed Minimum Interest Rate used to calculate policy values under this Policy plus 1 percentage point per year.

If Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, the rate used in its place will be as established by law or by regulation of the insurance supervisory official of the jurisdiction in which this Policy is issued.

We will:

- (a) notify you of the initial Traditional Loan interest rate at the time that a loan is made; and
- (b) if there is a loan outstanding on this Policy, give you advance notice of any increase in the Traditional Loan interest rate.

Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on loans.

**Policy Loan Account**—For the Traditional Loan Option, any repayment of Policy Debt will be withdrawn from the Policy Loan Account and reallocated to the Fixed Account. Except for such repayment of Policy Debt, no transfers or partial withdrawals may be made from the Policy Loan Account.

The Policy Loan Account will be credited with interest. We will determine the rate of interest each year. In no event will the interest credited be more than 1% lower than the Traditional Loan interest rate. In no event will the interest credited be less than the Guaranteed Minimum Interest Rate shown on Page 3. Starting in the 11th policy year, the rate of interest credited on the Policy Loan Account will in no event be more than 0.25% lower than the Traditional Loan interest rate.

**Indexed Loan Option** —Indexed Loans are only permitted from the Indexed Accounts or the Holding Accounts. The Fixed Account Value cannot be loaned under the Indexed Loan Option, until transferred into the Indexed Accounts by way of the Holding Accounts. The Indexed Loan is not transferred to the Policy Loan Account but will remain in the Holding Accounts until the next Segment Date or in the Indexed Accounts. The Indexed Loan will continue to be credited interest in the same manner as the un-loaned portion of the Holding Accounts or Indexed Accounts.

You can switch from the Indexed Loan Option by transferring the entire loan balance to the Policy Loan Account on a policy anniversary. You can also switch options after repaying the entire loan balance.

**Indexed Loan Interest**—Indexed Loans will bear interest at the Indexed Loan interest rates listed on Page 3. Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on Indexed Loans.

**Policy Debt**—Policy Debt means outstanding loans on this Policy plus any loan interest due or accrued. Policy Debt may be repaid in full or in part at any time while this Policy is in force during the life of the Insured. This Policy is the only security for Policy Debt on it. If the Policy Debt is greater than the Cash Surrender Value, a notice of pending termination will be mailed to your last known address and that of any assignee on record. If we are not paid the excess Policy Debt, this Policy will terminate 61 days after the notice is mailed.

This Policy will not terminate in a policy year as the sole result of a change in the rate of interest on loans until the time at which it would have terminated if there had been no change in the rate of interest on loans during that policy year.

## 7. Owner and Beneficiary

**Owner**—The Owner of this Policy is as stated in the application unless changed by a subsequent owner designation or assignment. Subject to the terms of any assignment, while this Policy is in force before the death of the Insured, the Owner may exercise all of the rights in it without the consent of any other person.

**Beneficiary**—The Beneficiary of this Policy is as stated in the application unless changed by a subsequent beneficiary designation. We will provide the necessary form. If no other provision is made, the interest of a Beneficiary who dies before the death of the Insured will pass to you.

**Change of Owner or Beneficiary** - You may transfer ownership or change the Beneficiary by filing a written designation at the Home Office. We will provide the necessary form. Unless you specify otherwise, the designation will take effect as of the date you signed the form, subject to any action we have taken prior to the time that the designation is received at the Home Office.

Unless otherwise stated in a designation, the following rules will apply to terms of kinship:

- (a) A legally adopted child of any person will be considered the child of the adopting parent.
- (b) The brothers and sisters of a person will include those who have only one parent in common with the person, but will not include stepbrothers or stepsisters.
- (c) Any reference to children will not include stepchildren and any reference to parents will not include stepparents.

**Assignment** - You may assign this Policy while it is in force during the life of the Insured. Your rights and the rights of any Beneficiary will be subject to the rights of an assignee under the terms of an assignment. We will not be bound by any assignment until you provide a signed form, that we have either provided or find acceptable, and the form has been filed at the Home Office. Unless you specify otherwise, the assignment will take effect as of the date you signed the form, subject to any action we have taken prior to the time that the assignment is received at the Home Office. We are not responsible for the effect or the validity of any assignment.

## 8. Death and Maturity Benefits

**Basic Death Benefit**—The Basic Death Benefit prior to the Maturity Date will be as follows:

- (1) If the Policy has a **Level Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (a) the Specified Amount; or
  - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.
- (2) If the Policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (a) the Specified Amount plus the Policy Value; or
  - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.

The Basic Death Benefit on the Maturity Date and beyond will be equal to the Net Policy Value, plus interest, until the death of the Insured. In no event will the rate of interest credited be less than the Guaranteed Minimum Interest Rate listed on Page 3.

**Amount of Death Benefit**—The Death Benefit, payable at the death of the Insured while this Policy is in force and before surrender, will be equal to the sum of:

- (a) the Basic Death Benefit on the date of death of the Insured;
- (b) any dividend payable at death of the Insured; and
- (c) any benefit provided by a supplemental rider attached to this Policy and payable because of the death of the Insured;

less the sum of:

- (a) any Policy Debt on this Policy at the time of the death of the Insured; and
- (b) if the death of the Insured occurs during a grace period, the lesser of the past due Monthly Deductions until the date of death of the Insured or the amount needed to meet the No-Lapse Guarantee Requirement.

**Suicide Exclusion**—If the Insured dies by suicide, while sane or insane, within two years from the Date of Issue, the Death Benefit will be limited to the premiums paid less any Policy Debt and any partial withdrawals.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Specified Amount, the Death Benefit with respect to that increase will be limited to the Monthly Deductions made for that increase.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any reinstatement, the Death Benefit will be limited to the premiums paid less any Policy Debt and any partial withdrawals since the date of reinstatement.

**Payment of Death Benefit** - Due proof of the death of the Insured will consist of a certified copy of the death certificate of the Insured, or other lawful evidence providing equivalent information, and proof of the claimant's interest in the proceeds. The Death Benefit will be paid to the Beneficiary in one sum or, if elected, under an income payment option. We will pay interest from the date of death to the date of payment. We will determine the interest rate each year. The rate will not be less than the Guaranteed Minimum Interest Rate per year, compounded annually, or such higher rate as may be required by law.

**Amount of Maturity Benefit**—The Maturity Benefit payable if the Insured is living on the Maturity Date and if this Policy is then in force will be equal to the Net Policy Value on that date.

**Payment of Maturity Benefit**—The Maturity Benefit will be paid to you in one sum or, if elected, under an Income Payment Option.

## 9. Surrender of Policy

**Surrender**—You may surrender this Policy for its Net Cash Surrender Value by filing a written request with us. The Net Cash Surrender Value may be taken in one sum or it may be left with us under an income payment option. The annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the Net Cash Surrender Value to purchase a single premium immediate annuity contract at purchase rates we offer at that time to the same class of annuitants. This Policy will terminate and cease to be in force if it is surrendered.

If this Policy is surrendered within 30 days after a policy anniversary, the amount payable on surrender will not be less than the Net Cash Surrender Value on that policy anniversary less any policy loans and partial withdrawals made since the anniversary.

We may defer the payment of the Net Cash Surrender Value in one sum for up to six months from the date of the surrender request. If the payment is deferred for 30 days or more, it will bear interest at the Guaranteed Minimum Interest Rate per year compounded annually while it is deferred.

**Net Cash Surrender Value**—The Net Cash Surrender Value is the Net Policy Value decreased by any surrender charge.

**Net Policy Value**—The Net Policy Value is the Policy Value decreased by any Policy Debt on this Policy.

**Cash Surrender Value**—The Cash Surrender Value is the Policy Value decreased by any surrender charge.

**Surrender Charge**—The surrender charge for the initial Specified Amount is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
- (b) is 90% of the lesser of:
  - (i) the Maximum Surrender Charge Premium shown on Page 3;
  - (ii) the total premiums paid in the first policy year; and
  - (iii) the per thousand of initial Specified Amount premium shown on Page 3.

The surrender charge for each increase in Specified Amount is based on the amount of the increase and on the attained age of the Insured at the time of the increase. All premiums paid during the first policy year after the effective date of an increase are applied to the increase in Specified Amount for the calculation of the surrender charge. The surrender charge is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the effective date of the increase; and
- (b) is 90% of the lesser of:
  - (i) the Maximum Surrender Charge Premium provided to you for the effective date of the increase based on the attained age, sex, and rate class of the Insured;
  - (ii) the total premium paid with the increase during the first policy year after the effective date of the increase; and
  - (iii) the per thousand of the increase amount premium shown on Page 3.

A surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount in the first five policy years. The charge is based on a proportional amount of the decreased Specified Amount of the coverage decreased. The Surrender Charge will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account. Surrender charges will not be deducted for decreases that were caused by partial withdrawals or changes to the Death Benefit Option. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.



**Partial Withdrawal**—You may make a partial withdrawal for a portion of the Net Cash Surrender Value by filing a written request with us. The partial withdrawal may not be less than the Minimum Partial Withdrawal shown on Page 3. No more than twelve partial withdrawals may be made in any policy year. No partial withdrawal may be made which would reduce the Specified Amount to less than the Minimum Specified Amount shown on Page 3. A processing fee will be deducted from the available Net Cash Surrender Value and will be considered part of the partial withdrawal. The fee is a percentage of the amount withdrawn as shown on Page 3, not to exceed the dollar amount shown on Page 3.

Any partial withdrawal will reduce the Policy Value by the amount of the partial withdrawal. If the Policy has a Level Death Benefit Option, the Specified Amount will also be reduced by the amount of the partial withdrawal that exceeds the difference between the Death Benefit and the Specified Amount. In those instances, the Specified Amount will be reduced in the following order:

- (a) The most recent increase in Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

Partial withdrawals will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, the partial withdrawal will be made from the Dollar Cost Averaging Account.

The Surrender Charge will not be reduced as a result of a partial withdrawal.

**Systematic Partial Withdrawal Program**—The Systematic Partial Withdrawal Program is a program of periodic distribution of a portion of the Policy Value through policy loans and partial withdrawals. We reserve the right to discontinue such a program at any time. Contact our Home Office for details of how this program works. A processing fee of the percentage of the amount withdrawn as shown on Page 3, but not more than the dollar amount shown on Page 3, will be made for each year the program is active. This program is only available after the first policy year.

We may defer the payment of the amount of a partial withdrawal for up to six months from the date of the partial withdrawal request. However, a partial withdrawal to pay a premium due on a Policy we issued will not be deferred. If the payment is deferred for 30 days or more, it will bear interest at the Guaranteed Minimum Interest Rate per year compounded annually while it is deferred.

## 10. Basis of Computation of Values

**Policy Value**—On the Policy Date the Policy Value is the initial premium paid less the sum of:

- (a) the percent of premium charge, and
- (b) the Monthly Deduction for the first policy month.

On each Monthly Anniversary while this Policy is in force, the Policy Value equals the sum of the values of:

- (a) the Fixed Account;
- (b) the Holding Accounts;
- (c) the Indexed Accounts;
- (d) the Dollar Cost Averaging Account; and
- (e) the Policy Loan Account.

Monthly Deductions will be deducted on the Policy Date and each Monthly Anniversary from the values of the Fixed Account, Holding Accounts, and Indexed Accounts. The Monthly Deductions are deducted on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account.

**Fixed Account**—Amounts allocated or transferred to the Fixed Account will be credited with interest. We will determine the rates as described in the Determination of Nonguaranteed Factors provision below. In no event will the rate of interest credited be less than the Guaranteed Minimum Interest Rate listed on Page 3. The declared rate will apply from the date of allocation or transfer through the end of a twelve month period. The twelve month period begins on the first day of the calendar month in which the allocation or transfer is made. Thereafter, interest will be credited on such amount for successive twelve month periods at the rate then applicable to new allocations to the account.

**Fixed Account Value**—On each Monthly Anniversary while this Policy is in force, the Fixed Account Value is the sum of:

- (a) the value of the Fixed Account on the previous Monthly Anniversary;
- (b) one month's interest on (a);
- (c) any premium allocated to the Fixed Account since the preceding Monthly Anniversary reduced by the applicable percent of premium charge;
- (d) any amount transferred into the Fixed Account from a Holding Account or an Indexed Account since the preceding Monthly Anniversary;
- (e) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary;
- (f) interest on (d) from the date of transfer into the Fixed Account;
- (g) any loan repayments allocated to the Fixed Account since the prior Monthly Anniversary;
- (h) interest on (g) from the date of receipt in the Home Office to the Monthly Anniversary;
- (i) any applicable dividend credited to the Fixed Account Value on the Monthly Anniversary; and
- (j) any applicable Policy Value Enhancement to the Fixed Account on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Fixed Account since the preceding Monthly Anniversary;
- (b) any amount transferred out of the Fixed Account into the Indexed Accounts since the preceding Monthly Anniversary;
- (c) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (d) interest on (b) from the date of transfer out of the Fixed Account.
- (e) the applicable monthly deduction for the following policy month;
- (f) any policy loan or unpaid policy loan interest taken from the Fixed Account; and
- (g) interest on (f) from the date of the loan or loan interest deduction.

On dates other than a Monthly Anniversary, the value of the Fixed Account will be determined consistently with the above.

**Fixed Account Transfers**—Subject to and in accordance with the provisions of this Policy, including the Transfers provision of the Holding Accounts Section and the Indexed Accounts Section:

- (a) an amount held in the Fixed Account may be transferred to the Indexed Accounts by way of the Holding Accounts only during the period which is not more than 30 days immediately following the end of each policy year; and
- (b) the amount that may be transferred excludes any amount held in the Policy Loan Account.

**Holding Accounts**—We will automatically deposit into a Holding Account any premium or amounts allocated or transferred to the Indexed Accounts. The Holding Account Value is then transferred to the next segment of the designated Indexed Account on the next Segment Date as described in the Indexed Accounts provision. Amounts held in a Holding Account will be credited with interest. We will determine the interest rate as described in the Determination of Nonguaranteed Factors provision. In no event will the rate of interest be less than the Guaranteed Minimum Interest Rate listed on Page 3. The declared rate will apply from the date of transfer through the end of the one month period which begins on the first day of the calendar month in which the allocation or transfer is made.

**Holding Account Value**—On each Monthly Anniversary while this Policy is in force, the Holding Account Value is the sum of:

- (a) the value of the Holding Account on the previous Monthly Anniversary;
- (b) interest on (a);
- (c) any additional premium allocated to an Indexed Account and held in the Holding Account since the preceding Monthly Anniversary reduced by the applicable percent of premium charge;
- (d) any amount transferred into an Indexed Account from the Fixed Account or Dollar Cost Averaging Account and held in the Holding Account since the preceding Monthly Anniversary;
- (e) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary;
- (f) interest on (d) from the date of transfer into the Holding Account;
- (g) any applicable dividend credited to the Holding Account Value on the Monthly Anniversary; and
- (h) any applicable Policy Value Enhancement to the Holding Account on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Holding Account since the preceding Monthly Anniversary;
- (b) any amount transferred out of the Holding Account into the Fixed Account or Indexed Account since the preceding Monthly Anniversary;
- (c) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (d) interest on (b) from the date of transfer out of the Holding Account;
- (e) the applicable monthly deduction for the following policy month;
- (f) any policy loan or unpaid policy loan interest taken from the Holding Account; and
- (g) interest on (f) from the date of the loan or loan interest deduction.

On dates other than a Monthly Anniversary, the value of the Holding Account will be determined consistently with the above.

**Holding Account Transfers**—Subject to and in accordance with the provisions of this Policy, including the Transfers provision of the Fixed Account Section and the Indexed Accounts Section, we will transfer the amount held in the Holding Account to the Indexed Account on the next Segment Date.

**Indexed Accounts**—Any Indexed Accounts offered as of the Policy Date are described in the Additional Policy Specifications. Each Indexed Account is made up of different Segments that earn interest and Index Credits as described in the Additional Policy Specifications. We may add additional Indexed Accounts or remove Indexed Accounts for future allocation. You will be notified of any change that occurs. A Segment cannot be changed to a new or replaced Indexed Account until Segment Maturity.

**Indexed Account Value**—The value of an Indexed Account is the sum of its Segment Values. Premium payments or transfers from another account intended for an Indexed Account are initially allocated to the Holding Account. The Holding Account Value is then transferred to the Indexed Account on Segment Dates. Segments can be funded by transfers from another account on Segment Dates, or amounts retained in

segments following the previous Segment Maturity. The Segment Value at Segment Maturity is used to start a new segment unless you transfer a portion of it to the Fixed Account or another Indexed Account.

Transfers may only be made into an Indexed Account on Segment Dates. Transfers out of an Indexed Account may only be made at Segment Maturity dates. The minimum allocation to an Indexed Account is the amount shown on Page 3. The minimum transfer to an Indexed Account is the amount shown on Page 3. If the Indexed Loan option is chosen, the amount available to transfer out of a segment on the Segment Date is the lesser of the Segment Value for that segment and the difference between the sum of the values of the Indexed Accounts and the outstanding loan.

**Segment Value**—On the Segment Date the Segment Value is the sum of:

- (a) any remaining Segment Value from the previous segment that has just matured; and
- (b) any transfer from the Holding Account, Dollar Cost Averaging Account, or the Fixed Account;

less the applicable Monthly Deduction for the following policy month.

On each Monthly Anniversary while this Policy is in force, the Segment Value equals the sum of:

- (a) the Segment Value on the preceding Monthly Anniversary;
- (b) one month's interest on (a) at the Segment Minimum Interest Rate;
- (c) any Index Credits applied on the Segment Maturity date;
- (d) any applicable dividend credited to the Segment Value on the Monthly Anniversary; and
- (e) any applicable Policy Value Enhancement to the Segment Value on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Segment Value since the preceding Monthly Anniversary;
- (b) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (c) any transfer from the Segment Value on the Segment Maturity date;
- (d) the applicable Monthly Deduction for the following policy month; and
- (e) any Traditional policy loan or unpaid loan interest taken from the Segment.

On dates other than a Monthly Anniversary, the value of the Segment will be determined consistently with the above.

**Segment Date**—The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates.

**Segment Duration**—The Segment Duration is shown on the Additional Policy Specifications.

**Segment Maturity Date**—The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

**Dollar Cost Averaging Account**—Premium payments may be allocated to a Dollar Cost Averaging Account. The account systematically transfers a portion of the payment to new segments of Indexed Accounts. The dollar cost averaging period is as shown on Page 3. You can request to terminate the account. The remaining balance will be transferred to the Indexed Accounts using the allocation percentages currently in force at that time, unless otherwise directed by you. The minimum premium payment allocated to the account is shown on Page 3.

Amounts held in a Dollar Cost Averaging Account will be credited with interest. The declared interest rate will apply from the date of the allocation to the account through the end of the dollar cost averaging period. At the expiration of the period, we will declare a rate not less than the Guaranteed Minimum Interest Rate for a new period.

**Policy Value Enhancement** – After the Policy reaches the Policy Value Enhancement Date as shown on Page 3, an enhancement will be paid on subsequent monthly anniversaries. The enhancement is based on the Net Policy Value. The enhancement will be applied on a pro-rata basis in proportion to the current net value of each account. The additional credit will be the monthly equivalent of the Policy Value Enhancement that is shown on Page 3. Once paid, the enhancement will be made part of the Policy Value, which is used in the determination of the Net Cash Surrender Value.

**Monthly Deduction**—The Monthly Deduction is the sum of:

- (a) the Cost of Insurance for the policy month;
- (b) the monthly per policy expense charge;
- (c) the monthly expense charge per \$1000 of Specified Amount; and
- (d) the Monthly Deduction for the policy month for any benefits provided by a supplemental rider made a part of this Policy.

**Net Amount at Risk**—The Net Amount at Risk is equal to (a) divided by (b), minus (c), where:

- (a) is the Basic Death Benefit at the beginning of the policy month;
- (b) is the Death Benefit Discount Factor; and
- (c) is the Policy Value at the beginning of the policy month before the Monthly Deduction.

If the Policy has an Increasing Death Benefit Option, the Policy Value will be allocated to the initial Specified Amount segment in order to determine the Net Amount at Risk.

If there have been any increases in the Specified Amount, the Policy Value will be allocated to the initial Specified Amount for determining the Net Amount at Risk. If the Policy Value exceeds the initial Specified Amount, the excess will be allocated to the increases in Specified Amount in the order of the increases. Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

**Cost of Insurance**—The Cost of Insurance is determined on a monthly basis. It is determined separately for the initial segment as well as for each additional segment created as the result of an increase in the Specified Amount. The total Cost of Insurance for a policy month is calculated as the sum of (a) multiplied by (b) for each segment where:

- (a) is the applicable Cost of Insurance Rate divided by 1,000;
- (b) is the Net Amount at Risk for that segment.

**Cost of Insurance Rate**—The Cost of Insurance Rate is based on policy year and on the issue age, sex and rate class of the Insured. The Cost of Insurance Rate for any increase in Specified Amount will be based on the policy duration since the effective date of the increase. The rate will also be based on the attained age, sex, and rate class of the Insured on the effective date of the increase.

We will determine the Cost of Insurance Rate as described in the Determination of Nonguaranteed Factors provision. These rates will not exceed those shown in the Additional Policy Specifications. Such maximum rates are based on the 2001 Commissioners Standard Ordinary Smoker and Nonsmoker Ultimate Mortality Table, Age Nearest Birthday.

If the policy was issued on an Insured under the age of 20, we will use the 2001 Commissioners Standard Ordinary Composite Ultimate Mortality Table and change to the use of a smoker table when the Insured reaches age 20. When the Insured reaches age 20, we shall notify the Insured in writing at least 60 days prior to the effective date of the change in mortality tables. The Insured will have the option to elect nonsmoker status by submitting sufficient evidence to us. The Insured shall be assigned a smoker classification if the Insured fails to respond to the notice.

**Expense Charges**—The Expense Charges include the following:

- (a) the monthly per policy expense charge;
- (b) the monthly expense charge per \$1,000 of Specified Amount; and
- (c) the percent of premium charge.

The actual expense charges will be determined as described in the Determination of Nonguaranteed Factors provision. However, these actual expense charges will not exceed the maximum expense charges stated on Page 3.

The per \$1,000 of Specified Amount expense charge on the initial Specified Amount will be eliminated for policies that have been in force over ten policy years.

The per \$1,000 of Specified Amount expense charge for any increases in Specified Amount will be eliminated after the charge has been assessed for 10 years from the date of the increase.

**Determination of Nonguaranteed Factors**—We will determine Cost of Insurance Rates, Expense Charges, and Interest Rates based on expectations as to future mortality, investment, expense, and persistency experience. We will not adjust such rates or charges as a means of recovering prior losses or as a means of distributing prior profits.

**Computation of Values** - All policy values and benefits are equal to or greater than those required by or pursuant to the NAIC Universal Life Insurance Regulation, model #585. A detailed statement of the method of computing Policy Values has been filed with the insurance supervisory official of the jurisdiction in which this Policy is delivered, if required.

## 11. Policy Changes

**Right to Make Change**—At any time while this Policy is in force after the first policy year, you may request changes as set forth in this section. You may not make a change that would result in the Death Benefit under this Policy not being excludable from gross income due to not satisfying the requirements of Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor provision thereto. In addition, each change is subject to the conditions stated. This Policy will be amended as the result of any such change.

**Increase in Specified Amount**—An increase in Specified Amount must be applied for on a written application. The increase is subject to our underwriting guidelines in effect at the time of the increase. Evidence of insurability satisfactory to us must be submitted. Any increase must be at least the minimum amount as shown on Page 3.

**Decrease in Specified Amount**—Any decrease in the Specified Amount must be at least the minimum amount as shown on Page 3. The Specified Amount may not be decreased to less than the Minimum Specified

Amount as shown on Page 3. No decrease in the Specified Amount may be made in the first policy year. No decrease may be made in the first year following the effective date of an increase in the Specified Amount.

Any decrease in the Specified Amount will become effective on the Monthly Anniversary that coincides with or next follows our receipt of the request. The decrease in the Specified Amount will be in the following order:

- (a) The most recent increase in the Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in the Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

A surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount in the first five policy years. The charge is based on a proportional amount of the decreased Specified Amount of the coverage decreased. The Surrender Charge will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account. Surrender charges will not be deducted for decreases that were caused by partial withdrawals or changes to the Death Benefit Option. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.

**Change in Death Benefit Option**—If the Policy has an Increasing Death Benefit Option, a request may be made to change this Policy to a Level Death Benefit Option. The Specified Amount after the change will be equal to the Specified Amount before the change plus the Policy Value on the date of the change. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of our receipt of the request to make the change.

If the Policy has a Level Death Benefit Option, a request may be made to change this Policy to an Increasing Death Benefit Option. The Specified Amount after the change will be equal to the Specified Amount before the change less the Policy Value on the date of the change. Any application for such increase will be attached to and made a part of the Policy. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of our receipt of the request to make the change.

The Specified Amount after the change must be at least the Minimum Specified Amount as shown on Page 3. No more than one change in the Death Benefit option may be made in any policy year.

## 12. General Provisions

**The Contract**—This Policy, all applications and any supplemental riders or amendments constitute the entire contract when attached to the Policy. Only the President, a Vice President, the Secretary, the Chief Actuary, an Actuary or an Associate Actuary may, on our behalf, modify this Policy or waive any of its conditions. No agent is authorized to modify this contract or to make any promise as to the future payment of dividends or interest.

At any time we may make such changes in this Policy as are necessary (i) to assure compliance at all times with the definition of life insurance prescribed by federal income tax law, or (ii) to make the Policy conform with any law or regulation issued by any government agency to which it is subject. Any approved amendments will be mailed to you any time such a change occurs. Any such change may, however, be accepted in writing or rejected by you, by returning the amendment to us.

**Incontestability**—All statements made in any application for this Policy are representations and not warranties. No statement will void this Policy or be used to contest a claim under it unless the statement is contained in a written application. A copy of the written application is attached to this Policy.

This Policy will be incontestable after it has been in force during the life of the Insured for two years from the Date of Issue, except for fraud in the procurement of the policy, when permitted by applicable law. Any increase in the Specified Amount will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

**Duration of Coverage**—The duration of coverage under this Policy will depend on the following:

- (a) the amount, timing and frequency of premium payments;
- (b) changes in the Specified Amount or benefits;
- (c) the interest rates credited;
- (d) the cost of insurance rates charged;
- (e) the expense charges;
- (f) satisfaction of the No-Lapse Guarantee Requirement;
- (g) surrenders; and
- (h) the amount and timing of any partial withdrawals or policy loans.

**Participation**—No divisible surplus is expected to be apportioned to this Policy in the foreseeable future. This Policy will participate in divisible surplus while it is in force except as stated in the Income Payment Options section. We will determine each year the share of such surplus, if any, to be apportioned to this Policy as a dividend. No divisible surplus is expected to be apportioned to this Policy in the foreseeable future. Any dividend will be applied as paid up additions unless you elect to have it paid in cash.

**Date of Issue**—The Date of Issue shown on Page 3 is the date your Policy is issued at our Home Office.

**Policy Date**—The Policy Date shown on Page 3 is the date from which policy years, months and anniversaries are determined.

**Monthly Anniversary**—The Monthly Anniversary is the day in each calendar month that is the same day of the month as the Policy Date.

**Age**—The age shown on Page 3 is the insurance age of the Insured. This is the age of the Insured on the birthday nearest the Policy Date. Attained age means the insurance age of the Insured increased by the number of whole years and months after the Policy Date.

**Misstatement of Age or Sex**—If the age or the sex of the Insured has been misstated, the Death Benefit under this Policy will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age and sex. No adjustment in the Policy Value will be made. Any date shown on Page 3 that is based on an incorrect age may be changed to be consistent with the correct age.

**Policy Payments**—All payments by us under this Policy are payable at the Home Office.

**Annual Report**—Each year you will be sent a report. The report shows current information as of a date not more than four months prior to the date of the mailing. The report will contain at least the following information:

- (a) The beginning and end dates of the current report period;
- (b) The policy value, if any, at the beginning of the current report period and at the end of the current report period;
- (c) The amounts that have been credited or debited to the account value during the current report period; for example, premium payments, interest credits, cost of insurance charges, expense charges, and withdrawal amounts;



- (d) The current death benefit at the end of the current report period;
- (e) The cash surrender value, if any, at the end of the current report period;
- (f) The amount of outstanding loans, if any, at the end of the current report period; and
- (g) If assuming guaranteed interest, mortality and expense charges, the cash surrender value will not keep the Policy in force until the end of the next reporting period unless further premiums are made, a notice to this effect will be included.

**Projection of Benefits and Values**—Upon request, we will provide a projection of illustrative future Death Benefits and Policy Values. The request for a projection must be made in writing by you. We may charge a fee for this service, after the first report per year is provided at no cost, not to exceed the maximum fee as shown on Page 3.

**Option to Extend Maturity Date**—Upon your written request, this Policy will continue in force beyond the Maturity Date as shown on Page 3. The Basic Death Benefit under the Policy will continue beyond the Maturity Date without evidence of insurability. The Basic Death Benefit and the Policy Value will continue to be calculated as defined in the Policy. The attained age Death Benefit Factors will be equal to 1.00. The Cost of Insurance Rates will be equal to zero. New partial withdrawals may not be made. New Policy Loans and loan repayments may be made. Policy Loans will continue to accrue interest and the Policy Loan Account will continue to operate as stated in the Policy Loans Section.

Premium payments will not be accepted unless necessary to prevent lapse. All riders and benefits attached to the Policy, except the Supplemental Term Insurance Rider, if applicable, terminate as of the original Maturity Date, as shown on Page 3.

The Policy may not qualify as life insurance under federal tax law after the Insured reaches the Maturity Date. The Policy may be subject to adverse tax consequences and a tax advisor should be consulted before you choose to continue the policy beyond the Maturity Date.

## 13. Income Payment Options

**Election of Income Payment Option**—An income payment option may be elected in place of a one sum payment of any amount payable upon the death of the Insured or upon surrender.

You may elect an income payment option or change a previous election while this Policy is in force before the death of the Insured. If no election is in effect at the time of the death of the Insured, the Beneficiary may elect an income payment option before any payment of the Death Benefit has been made and within one year of the date of death.

The amount applied under an income payment option must be at least the minimum amount shown as on Page 3. No election may provide for income payments that are each less than the minimum income payment as shown on Page 3.

**Option 1—Interest Income**—We will hold the amount applied at interest. Interest will be paid monthly, quarterly, semiannually or annually.

**Option 2—Income for a Fixed Period**—We will pay the amount applied, with interest, in equal monthly payments for a fixed period. The fixed period may not be greater than 30 years.

**Option 3—Income of a Specified Amount**—We will make payments of a specified amount until the total amount applied, with interest, has been paid. The payments may be made monthly, quarterly, semiannually or annually. The final payment may be less than the specified amount. The total of the payments to be made each year must be at least the amount as shown on Page 3 for each \$1,000 applied.

**Option 4— Life Income**—We will pay equal monthly payments during the life of the option annuitant.

**Option 5— Life Income with Guaranteed Period**—We will pay equal monthly payments for a stated guaranteed period and thereafter during the life of the option annuitant. The guaranteed period may be 5 years, 10 years or 20 years.

**Option 6— Life Income with Refund Period**—We will pay equal monthly payments during the life of the option annuitant. If necessary, the payments will continue after the death of the option annuitant until the total of all payments made, including a smaller final payment, if required, equals the total amount applied.

**Option 7— Joint and Survivor Life Income**—We will pay equal monthly payments during the joint life of two option annuitants and thereafter during the life of the survivor.

**Income Amount—Participation**—The income under Options 1 and 2 will be based on interest at a rate of 1.5% per year compounded annually. The unpaid balance of the amount applied under Option 3 will be credited with interest at a rate of 1.5% per year compounded annually.

Options 1, 2 and 3 will participate in divisible surplus by the payment or crediting of additional interest in such amount, if any, as we determine each year. Additional interest will increase the income payments under Options 1 and 2. Additional interest will lengthen the period during which payments are made under Option 3.

The monthly income under Options 4, 5, 6 and 7 will equal 103% of the monthly income under a comparable single premium nonparticipating annuity we issued at the time that the income payments are to begin. In no event will the monthly income under these life income options be less than the income stated in the Income Payment Option Tables. Options 4, 5, 6 and 7 will not participate in divisible surplus.

**Income Period**—The income period under an option will begin on the date of death or surrender. Income payments under Options 1 and 3 will be made at the end of the payment interval. Income payments under Options 2, 4, 5, 6 and 7 will be made at the beginning of the payment interval.

**Option Annuitant**—Option annuitant means a natural person on whose life the income payments under Options 4, 5, 6 and 7 are based.

We may require proof of the age and of the continued life of an option annuitant. If the age or the sex of an option annuitant has been misstated, an appropriate adjustment will be made in the income payments.

**Withdrawal Privilege**—Unless the election states otherwise, the payee under an income payment option may:

- (a) before any income payment has been made, withdraw the amount applied under the option; or
- (b) withdraw the present value of the income payments to become due during any fixed, guaranteed or refund period; or
- (c) withdraw the balance held under Option 1 or 3 plus any accrued interest.

There will be no right to withdraw the present value of the income payments falling due after the guaranteed or refund period under Options 5 and 6. There will be no right to withdraw the present value of any income payments under Options 4 and 7.

We may defer the payment of the amount withdrawn for up to six months from the date of a withdrawal request.

**Present Value**—The present value of the income payments under Option 2 will be based on interest at a rate of 1.5% per year compounded annually. The present value of the remaining income payments during a guaranteed or refund period under a life income option will be based on interest at a rate we set at the time income payments are to begin.

**Death of Payee**—Upon the death of the payee under an income payment option, we will pay the following to the payee's executors or administrators unless stated otherwise in an election to which we consented:

- (a) the balance of the amount held under Option 1 or 3 plus any accrued interest; or
- (b) the present value of the income payments to become due during the fixed period under Option 2; or
- (c) if the option annuitant under Option 5 or 6 has died, the present value of the income payments, if any, to become due during the guaranteed or refund period; or
- (d) if any option annuitant under Option 4, 5, 6 or 7 is living, any income payments as they become due during the option annuitant's life plus, upon the death of the option annuitant under Option 5 or 6, the present value of the income payments, if any, to become due during the guaranteed or refund period.

**Assignment – Creditors**—The amount applied under an income payment option and the payments under the option may not be assigned and, to the extent permitted by law, will not be available to anyone who has a claim against the payee.

## 14. Income Payment Option Table

The following tables show the amount of the first monthly income payment for each \$1,000 of value applied under an annuity option. "Age" as used in the tables for Options 4, 5, 6, and 7 means an adjusted age determined in the following manner from the actual age of the Annuitant on the birthday nearest the date of the first payment:

Date of First Payment  
Before calendar year 2010  
2010-2019  
2020-2029  
2030 and later

Adjusted Age  
Actual Age  
Actual age decreased by 1  
Actual age decreased by 2  
Actual age decreased by 3

### Option 1 - Interest Income

### Option 2 - Income for Fixed Period of Years

Payment Interval	Amount	Years	Monthly Income	Years	Monthly Income	Years	Monthly Income
Annually	\$15.00	1	\$83.90	11	\$8.21	21	\$4.62
		2	42.26	12	7.58	22	4.44
Semi-Annually	7.47	3	28.39	13	7.05	23	4.28
		4	21.45	14	6.59	24	4.13
Quarterly	3.73	5	17.28	15	6.20	25	3.99
		6	14.51	16	5.85	26	3.86
Monthly	1.24	7	12.53	17	5.55	27	3.75
		8	11.04	18	5.27	28	3.64
		9	9.89	19	5.03	29	3.54
		10	8.96	20	4.81	30	3.44

## Options 4, 5 and 6 - Monthly Life Income

The amount of income will be based on the age of the option annuitant on the birthday nearest the date of the first payment.

Age of Option Annui- tant	Option 4		Option 5						Option 6		Age of Option Annui- tant	Option 4		Option 5						Option 6	
	Life Income		20 Year Guaranteed Period		10 Year Guaranteed Period		5 Year Guaranteed Period		with Refund Period			Life Income		20 Year Guaranteed Period		10 Year Guaranteed Period		5 Year Guaranteed Period		with Refund Period	
			Male	Female	Male	Female	Male	Female						Male	Female	Male	Female	Male	Female		
15	\$1.99	\$1.92	\$1.96	\$1.89	\$1.97	\$1.90	\$1.98	\$1.91	\$1.95	\$1.88	65	\$4.85	\$4.37	\$4.14	\$3.96	\$4.69	\$4.28	\$4.81	\$4.35	\$4.06	\$3.92
16	2.01	1.94	1.98	1.91	1.99	1.92	2.00	1.93	1.97	1.90	66	5.02	4.51	4.21	4.04	4.83	4.41	4.98	4.49	4.20	4.01
17	2.03	1.95	2.00	1.92	2.01	1.93	2.02	1.94	1.99	1.91	67	5.20	4.66	4.27	4.11	4.98	4.55	5.15	4.64	4.35	4.04
18	2.05	1.97	2.02	1.94	2.03	1.95	2.04	1.96	2.01	1.93	68	5.39	4.83	4.33	4.18	5.13	4.69	5.33	4.80	4.52	4.24
19	2.07	1.99	2.04	1.96	2.05	1.97	2.06	1.98	2.03	1.95	69	5.60	5.00	4.39	4.26	5.29	4.84	5.53	4.97	4.59	4.25
20	2.09	2.01	2.06	1.98	2.07	1.99	2.08	2.00	2.05	1.97	70	5.82	5.19	4.44	4.32	5.45	5.00	5.73	5.15	4.67	4.49
21	2.11	2.02	2.08	1.99	2.09	2.00	2.10	2.01	2.07	1.98	71	6.05	5.39	4.49	4.39	5.62	5.17	5.95	5.34	4.75	4.58
22	2.13	2.04	2.10	2.01	2.11	2.02	2.12	2.03	2.09	2.00	72	6.30	5.61	4.54	4.45	5.79	5.34	6.17	5.55	5.05	4.77
23	2.15	2.06	2.12	2.03	2.13	2.04	2.14	2.05	2.11	2.02	73	6.57	5.85	4.58	4.50	5.96	5.52	6.42	5.78	5.13	4.85
24	2.17	2.08	2.14	2.05	2.15	2.06	2.16	2.07	2.13	2.04	74	6.85	6.11	4.62	4.55	6.14	5.71	6.67	6.02	5.34	5.06
25	2.20	2.10	2.17	2.07	2.18	2.08	2.19	2.09	2.16	2.06	75	7.15	6.39	4.65	4.60	6.32	5.91	6.94	6.28	5.45	5.15
26	2.22	2.13	2.19	2.10	2.20	2.11	2.21	2.12	2.18	2.09	76	7.47	6.69	4.68	4.64	6.51	6.11	7.22	6.55	5.63	5.28
27	2.25	2.15	2.22	2.12	2.23	2.13	2.24	2.14	2.21	2.11	77	7.82	7.01	4.71	4.67	6.69	6.31	7.52	6.84	5.81	5.48
28	2.27	2.17	2.24	2.14	2.25	2.15	2.26	2.16	2.22	2.13	78	8.19	7.36	4.73	4.70	6.87	6.52	7.83	7.16	5.94	5.76
29	2.30	2.19	2.27	2.16	2.28	2.17	2.29	2.18	2.26	2.15	79	8.59	7.74	4.75	4.72	7.05	6.73	8.15	7.49	6.22	5.86
30	2.33	2.22	2.30	2.19	2.31	2.20	2.32	2.21	2.27	2.18	80	9.01	8.16	4.76	4.75	7.22	6.93	8.49	7.84	6.25	6.05
31	2.36	2.24	2.33	2.21	2.34	2.22	2.35	2.23	2.29	2.20	81	9.47	8.60	4.78	4.76	7.39	7.13	8.84	8.21	6.69	6.16
32	2.39	2.27	2.36	2.24	2.37	2.25	2.38	2.26	2.35	2.22	82	9.95	9.09	4.79	4.78	7.56	7.33	9.21	8.60	6.77	6.67
33	2.42	2.30	2.39	2.27	2.40	2.28	2.41	2.29	2.38	2.26	83	10.47	9.61	4.79	4.79	7.71	7.52	9.58	9.01	7.13	6.77
34	2.46	2.33	2.43	2.30	2.44	2.31	2.45	2.32	2.40	2.27	84	11.02	10.18	4.80	4.80	7.86	7.69	9.97	9.44	7.32	7.10
35	2.49	2.36	2.46	2.33	2.47	2.34	2.48	2.35	2.44	2.32	85	11.61	10.79	4.81	4.80	8.00	7.86	10.36	9.87	7.45	7.33
36	2.53	2.39	2.50	2.36	2.51	2.37	2.52	2.38	2.45	2.35	86	12.24	11.45	4.81	4.81	8.13	8.01	10.76	10.32	7.80	7.53
37	2.56	2.42	2.53	2.39	2.54	2.40	2.55	2.41	2.49	2.36	87	12.91	12.16	4.81	4.81	8.24	8.15	11.17	10.77	7.91	7.98
38	2.60	2.46	2.57	2.43	2.58	2.44	2.59	2.45	2.50	2.42	88	13.61	12.91	4.81	4.81	8.35	8.27	11.57	11.22	8.47	8.08
39	2.65	2.49	2.62	2.46	2.63	2.47	2.64	2.48	2.57	2.45	89	14.37	13.71	4.81	4.81	8.45	8.38	11.97	11.66	8.65	8.40
40	2.69	2.53	2.66	2.50	2.67	2.51	2.68	2.52	2.60	2.48	90	15.17	14.55	4.81	4.81	8.54	8.48	12.37	12.09	8.77	8.69
41	2.73	2.57	2.70	2.54	2.71	2.55	2.72	2.56	2.65	2.52	91	16.01	15.43	4.81	4.81	8.61	8.56	12.77	12.51	9.60	9.02
42	2.78	2.61	2.74	2.58	2.76	2.59	2.77	2.60	2.66	2.54	92	16.91	16.34	4.81	4.81	8.68	8.64	13.15	12.92	9.75	9.42
43	2.83	2.65	2.79	2.62	2.81	2.63	2.82	2.64	2.72	2.55	93	17.86	17.29	4.81	4.81	8.74	8.71	13.53	13.31	9.82	9.73
44	2.88	2.69	2.83	2.66	2.86	2.67	2.87	2.68	2.76	2.61	94	18.87	18.29	4.81	4.81	8.80	8.76	13.91	13.69	10.90	10.21
45	2.94	2.74	2.88	2.71	2.92	2.72	2.93	2.73	2.79	2.62	95	19.96	19.32	4.81	4.81	8.84	8.81	14.28	14.05	11.21	10.50
46	2.99	2.79	2.93	2.76	2.97	2.77	2.98	2.78	2.80	2.68	96	21.13	20.42	4.81	4.81	8.88	8.85	14.64	14.41	11.65	10.92
47	3.05	2.84	2.98	2.80	3.03	2.82	3.04	2.83	2.88	2.70	97	22.41	21.60	4.81	4.81	8.90	8.89	14.99	14.76	12.14	11.37
48	3.11	2.89	3.03	2.85	3.09	2.87	3.10	2.88	2.90	2.76	98	23.84	22.89	4.81	4.81	8.93	8.91	15.34	15.11	12.55	11.76
49	3.18	3.09	3.09	2.92	3.16	2.92	3.17	2.93	2.97	2.79	99	25.44	24.35	4.81	4.81	8.94	8.93	15.67	15.45	13.12	12.29
50	3.24	3.00	3.14	2.95	3.22	2.98	3.23	2.99	3.05	2.85	100	27.27	26.01	4.81	4.81	8.95	8.95	15.99	15.79	13.75	12.88
51	3.31	3.06	3.20	3.00	3.29	3.04	3.30	3.05	3.06	2.94	101	29.36	27.93	4.81	4.81	8.96	8.96	16.27	16.10	14.43	13.51
52	3.39	3.13	3.26	3.06	3.36	3.11	3.38	3.12	3.16	2.95	102	31.77	30.15	4.81	4.81	8.96	8.96	16.53	16.38	15.01	14.06
53	3.47	3.19	3.32	3.12	3.44	3.17	3.46	3.18	3.17	2.99	103	34.57	32.76	4.81	4.81	8.96	8.96	16.75	16.64	15.85	14.85
54	3.55	3.26	3.39	3.18	3.51	3.24	3.54	3.25	3.28	3.05	104	37.82	35.81	4.81	4.81	8.96	8.96	16.93	16.84	16.79	15.72
55	3.63	3.34	3.45	3.24	3.60	3.32	3.62	3.33	3.29	3.10	105	41.60	39.41	4.81	4.81	8.96	8.96	17.06	17.01	16.92	15.89
56	3.73	3.41	3.52	3.30	3.68	3.39	3.72	3.40	3.35	3.17	106	46.03	43.66	4.81	4.81	8.96	8.96	17.16	17.13	17.02	16.01
57	3.82	3.50	3.58	3.37	3.77	3.47	3.81	3.49	3.41	3.29	107	51.23	48.69	4.81	4.81	8.96	8.96	17.22	17.21	17.08	16.09
58	3.92	3.58	3.65	3.44	3.87	3.56	3.91	3.57	3.49	3.30	108	57.34	54.67	4.81	4.81	8.96	8.96	17.26	17.25	17.12	16.13
59	4.03	3.68	3.72	3.51	3.97	3.64	4.02	3.67	3.55	3.43	109	64.58	61.81	4.81	4.81	8.96	8.96	17.28	17.27	17.14	16.15
60	4.15	3.78	3.79	3.58	4.07	3.74	4.13	3.77	3.64	3.45	110	73.20	70.40	4.81	4.81	8.96	8.96	17.28	17.28	17.16	16.16
61	4.27	3.88	3.86	3.65	4.19	3.83	4.25	3.87	3.71	3.51											
62	4.40	3.99	3.93	3.73	4.30	3.94	4.38	3.98	3.81	3.62											
63	4.54	4.11	4.00	3.81	4.42	4.05	4.52	4.09	3.88	3.67											
64	4.69	4.23	4.07	3.88	4.55	4.16	4.66	4.22	3.96	3.80											

## Option 7 - Joint and Survivor Monthly Life Income

The amount of income will be based on the ages of the option annuitants on their respective birthdays nearest the date of the first payment. The table shows income for certain ages for one male and one female option annuitant. The amount is shown under the age of the male and opposite the age of the female. Amounts of income for other combinations of ages or for option annuitants of the same sex will be furnished upon request.

Age of Female Option Annuitant	Age of Male Option Annuitant												
	50	55	60	65	70	75	80	85	90	95	100	105	110
50	\$2.72	\$2.80	\$2.87	\$2.92	\$2.95	\$2.97	\$2.98	\$2.99	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
55	2.85	2.98	3.09	3.18	3.24	3.28	3.30	3.32	3.33	3.33	3.33	3.34	3.34
60	2.96	3.15	3.32	3.47	3.58	3.66	3.71	3.74	3.75	3.76	3.77	3.77	3.77
65	3.05	3.29	3.54	3.77	3.97	4.12	4.22	4.28	4.32	4.35	4.35	4.36	4.37
70	3.12	3.41	3.73	4.07	4.39	4.66	4.86	5.00	5.08	5.13	5.16	5.18	5.19
75	3.17	3.50	3.89	4.33	4.80	5.25	5.64	5.92	6.12	6.24	6.31	6.36	6.38
80	3.20	3.56	4.00	4.53	5.16	5.83	6.48	7.04	7.46	7.75	7.95	8.07	8.14
85	3.22	3.59	4.06	4.67	5.43	6.31	7.28	8.24	9.06	9.70	10.19	10.54	10.72
90	3.23	3.61	4.10	4.75	5.60	6.65	7.92	9.31	10.68	11.89	12.95	13.82	14.34
95	3.24	3.62	4.12	4.80	5.69	6.86	8.35	10.12	12.03	13.93	15.80	17.56	18.77
100	3.24	3.63	4.14	4.82	5.75	7.00	8.64	10.73	13.20	15.88	18.87	22.12	24.70
105	3.24	3.63	4.14	4.84	5.79	7.09	8.86	11.22	14.23	17.86	22.51	28.80	35.26
110	3.24	3.63	4.15	4.85	5.81	7.13	8.97	11.50	14.89	19.30	25.93	36.41	52.85

# Additional Policy Specifications

## One Year Point to Point S&P Global BMI Indexed Account

**Summary** – This section describes the interest crediting methodology for the Segments of the One Year Point to Point S&P Global BMI Indexed Account.

**Index** – The external Index used in the calculations below is the S&P Global BMI (Broad Market Index). References to the S&P Global BMI mean the Standard and Poor's Global Broad Market Index (excluding dividends), comprised of the S&P Developed BMI and S&P Emerging BMI. It is a comprehensive, rules-based index measuring global stock market performance.

"S&P®", "Standard & Poor's®", "S&P 500®", "Standard & Poor's 500™", "S&P Global BMI™", "Standard & Poor's Global BMI™", "S&P Global Broad Market Index™", and "Standard & Poor's Global Broad Market Index™" are trademarks of Standard & Poor's Financial Services LLC and have been licensed for use by The Penn Insurance and Annuity Company and its affiliates. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of purchasing this product.

**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the One Year Point to Point S&P Global BMI Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P Global BMI during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 3%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.



## **One Year Point to Point S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the One Year Point to Point S&P 500 Indexed Account.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the One Year Point to Point S&P 500 Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P 500 Index during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 4%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

## **Five Year and One Year Blend S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the Five Year and One Year Blend S&P 500 Indexed Account. This Indexed Account provides Index Credits based on Index Performance for Five Year (5Y) Segments and One Year (1Y) Segments.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

### **One Year (1Y) Segment:**

**1Y Index Credits** - Amounts held in the Five Year and One Year Blend S&P 500 Indexed Account earn 1Y Index Credits on the 1Y Segment Maturity Date based on 1Y Index Performance. The 1Y Index Performance equals the growth in the S&P 500 Index during the 1Y Segment multiplied by the 1Y Participation Percentage, with a floor at the 1Y Segment Minimum Interest Rate and a ceiling at the 1Y Cap Percentage.

At the 1Y Segment Maturity Date, the 1Y Index Credit is calculated. The 1Y Index Credit equals the total amount of 1Y segment minimum interest credited to the segment for the just completed 1Y Segment Duration, multiplied by the ratio of the 1Y Index Performance over the 1Y Segment Minimum Interest Rate, subtracting one from the ratio.

**1Y Participation Percentage** – The 1Y Participation Percentage is the percentage of the 1Y Index Performance that will be used to calculate the 1Y Index Credit, if any. The 1Y Participation Percentage is guaranteed not to be below 100%. A new 1Y Participation Percentage will apply to each new 1Y Segment created and will not change for the duration of that segment.

**1Y Cap Percentage** – The 1Y Cap Percentage is the maximum percentage of the 1Y Index Performance that will be used to calculate the 1Y Index Credit, if any. The 1Y Cap Percentage is guaranteed not to be below 3%. A new 1Y Cap Percentage will apply to each new 1Y Segment created and will not change for the duration of that segment.

**1Y Segment Minimum Interest Rate** – The 1Y Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the 1Y Segment Duration as well as the 1Y Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**1Y Segment Date** - The 1Y Segment Date is the date a 1Y Segment is created. 1Y Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**1Y Segment Duration** - The 1Y Segment Duration is one year.

**1Y Segment Maturity Date** - The 1Y Segment Maturity Date is the date each 1Y Segment matures, which is at the end of a 1Y Segment Duration. Transfers out of this Indexed Account are not permitted on the 1Y Segment Maturity Date. Transfers out of this Indexed Account may only be made on 5Y Segment Maturity Dates.

**Five Year (5Y) Segment:**

**5Y Index Credits** - Amounts held in the Five Year and One Year Blend S&P 500 Indexed Account earn 5Y Index Credits on the 5Y Segment Maturity Date based on 5Y Index Performance. The 5Y Index Performance equals the growth in the S&P 500 Index during the 5Y Segment multiplied by the 5Y Participation Percentage, with a floor at the Compounded 1Y Segment Returns and a ceiling at the 5Y Cap Percentage.

At the 5Y Segment Maturity Date, the 5Y Index Credit is calculated. The 5Y Index Credit equals the total amount of 1Y segment minimum interest and 1Y Index Credits credited to the 5Y Segment for the just completed 5Y Segment Duration multiplied by the ratio of the 5Y Index Performance over the Compounded 1Y Segment Return, subtracting one from the ratio.

**5Y Participation Percentage** – The 5Y Participation Percentage is the percentage of the 5Y Index Performance that will be used to calculate the 5Y Index Credit, if any. The 5Y Participation Percentage is guaranteed not to be below 100%. A new 5Y Participation Percentage will apply to each new 5Y Segment created and will not change for the duration of that segment.

**5Y Cap Percentage** – The 5Y Cap Percentage is the maximum percentage of the 5Y Index Performance that will be used to calculate the 5Y Index Credit, if any. The 5Y Cap Percentage is guaranteed not to be below 15%. A new 5Y Cap Percentage will apply to each new 5Y Segment created and will not change for the duration of that segment.

**Compounded 1Y Segment Return** – The Compounded 1Y Segment Return will be used to calculate the 5Y Index Credit, if any. It also acts as a floor on the 5Y Index Performance. The Compounded 1Y Segment Return is equal to (a) multiplied by (b) multiplied by (c) multiplied by (d) multiplied by (e) where:

- (a) equals the 1Y Index Performance for the first year of the 5Y Segment plus 1
- (b) equals the 1Y Index Performance for the second year of the 5Y Segment plus 1
- (c) equals the 1Y Index Performance for the third year of the 5Y Segment plus 1
- (d) equals the 1Y Index Performance for the fourth year of the 5Y Segment plus 1
- (e) equals the 1Y Index Performance for the fifth year of the 5Y Segment plus 1

**5Y Segment Date** - The 5Y Segment Date is the date a 5Y Segment is created. 5Y Segments can only be created on monthly policy anniversary dates. No new 5Y Segments can be created less than five years prior to maturity.

**5Y Segment Duration** - The 5Y Segment Duration is five years.

**5Y Segment Maturity Date** – The 5Y Segment Maturity Date is the date each 5Y Segment matures, which is at the end of a 5Y Segment Duration. Transfers out of this Indexed Account may only be made on 5Y Segment Maturity Dates.

## **High Participation One Year Point to Point S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the High Participation One Year Point to Point S&P 500 Indexed Account.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the High Participation One Year Point to Point S&P 500 Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P 500 Index during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 3%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

Issue Age	Base Policy	Supplemental Term Insurance	Waiver of Surrender Charges
35	0.422	0.572	0.240
36	0.428	0.578	0.246
37	0.434	0.584	0.252
38	0.439	0.590	0.258
39	0.445	0.596	0.264
40	0.451	0.602	0.270
41	0.457	0.608	0.280
42	0.463	0.614	0.290
43	0.468	0.620	0.300
44	0.474	0.626	0.310
45	0.480	0.630	0.320
46	0.489	0.639	0.325
47	0.497	0.648	0.330
48	0.506	0.657	0.335
49	0.515	0.666	0.340
50	0.524	0.675	0.345
51	0.532	0.684	0.350
52	0.541	0.693	0.355
53	0.550	0.702	0.360
54	0.558	0.711	0.365
55	0.567	0.717	0.370
56	0.592	0.742	0.380
57	0.617	0.767	0.390
58	0.641	0.792	0.400
59	0.666	0.817	0.410
60	0.691	0.842	0.420
61	0.716	0.867	0.430
62	0.741	0.892	0.440
63	0.765	0.917	0.450
64	0.790	0.942	0.460
65	0.815	0.965	0.470
66	0.835	0.985	0.480
67	0.856	1.005	0.490
68	0.876	1.025	0.500
69	0.897	1.045	0.510
70	0.917	1.065	0.520
71	0.937	1.085	
72	0.956	1.105	
73	0.978	1.125	
74	0.999	1.145	

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

Issue Age	Base Policy	Supplemental Term Insurance	Waiver of Surrender Charges
75	1.019	1.169	
76	1.084	1.234	
77	1.150	1.299	
78	1.215	1.364	
79	1.281	1.429	
80	1.346	1.494	
81	1.411	1.559	
82	1.477	1.624	
83	1.542	1.689	
84	1.608	1.754	
85	1.673	1.823	

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
35	0.0908	0.0908	0.0233	0.1375
36	0.0958	0.0958	0.0242	0.1375
37	0.1000	0.1000	0.0258	0.1375
38	0.1075	0.1075	0.0283	0.1375
39	0.1142	0.1142	0.0300	0.1375
40	0.1217	0.1217	0.0325	
41	0.1317	0.1317	0.0358	
42	0.1441	0.1441	0.0392	
43	0.1584	0.1584	0.0425	
44	0.1750	0.1750	0.0467	
45	0.1942	0.1942	0.0508	
46	0.2125	0.2125	0.0567	
47	0.2328	0.2328	0.0642	
48	0.2442	0.2442	0.0742	
49	0.2576	0.2576	0.0850	
50	0.2767	0.2767	0.0992	
51	0.2993	0.2993	0.1167	
52	0.3301	0.3301	0.1392	
53	0.3635	0.3635	0.1683	
54	0.4060	0.4060	0.2042	
55	0.4585	0.4585	0.2467	
56	0.5119	0.5119	0.3092	
57	0.5695	0.2695	0.3842	
58	0.6187	0.6187	0.4717	
59	0.6755	0.6755	0.5750	
60	0.7439	0.7439	0.1483	
61	0.8274	0.8274	0.1483	
62	0.9292	0.9292	0.1483	
63	1.0436	1.0436	0.1483	
64	1.1639	1.1639	0.1483	
65	1.2908	1.2908		
66	1.4195	1.4195		
67	1.5499	1.5499		
68	1.6904	1.6904		
69	1.8359	1.8359		
70	2.0124	2.0124		
71	2.2099	2.2099		
72	2.4694	2.4694		
73	2.7433	2.7433		
74	3.0317	3.0317		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
75	3.3470	3.3470		
76	3.6911	3.6911		
77	4.0908	4.0908		
78	4.5582	4.5582		
79	5.0984	5.0984		
80	5.6880	5.6680		
81	6.3602	6.3602		
82	7.0612	7.0612		
83	7.8181	7.8181		
84	8.6576	8.6576		
85	6.5971	6.5971		
86	10.6404	10.6404		
87	11.7822	11.7822		
88	13.0087	13.0087		
89	14.3059	14.3059		
90	15.6632	15.6632		
91	16.9431	19.9431		
92	18.2807	18.2807		
93	19.6954	19.6954		
94	21.1940	21.1940		
95	22.7729	22.7729		
96	24.2220	24.2220		
97	25.7717	25.7717		
98	27.4307	27.4307		
99	29.2072	29.2072		
100	31.1139	31.1139		
101	32.3620	32.3620		
102	34.2545	34.2545		
103	35.9867	35.9867		
104	37.8360	37.8360		
105	39.7830	39.7830		
106	41.8611	41.8611		
107	44.0793	44.0793		
108	46.4474	46.4474		
109	48.9749	48.9749		
110	51.6712	51.6712		
111	54.5501	54.5501		
112	57.6228	57.6228		
113	60.9057	60.9057		
114	64.4101	64.4101		
115	68.1545	68.1545		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount



# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
116	72.1551	72.1551		
117	76.4311	76.4311		
118	81.0051	81.0051		
119	83.3333	83.3333		
120	83.3333	83.3333		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
35	0.0567	0.0908
36	0.0567	0.0958
37	0.0567	0.1000
38	0.0567	0.1075
39	0.0567	0.1142
40	0.0567	0.1217
41	0.0567	0.1317
42	0.0567	0.1442
43	0.0575	0.1584
44	0.0583	0.1750
45	0.0592	0.1942
46	0.0592	0.2125
47	0.0600	0.2326
48	0.0608	0.2442
49	0.0617	0.2576
50	0.0617	0.2767
51	0.0625	0.2993
52	0.0633	0.3301
53	0.0642	0.3635
54	0.0650	0.4060
55	0.0667	0.4585
56	0.0683	0.5119
57	0.0692	0.5695
58	0.0717	0.6187
59	0.0733	0.6755
60	0.0758	0.7439
61	0.0783	0.8274
62	0.0817	0.9292
63	0.0850	1.0436
64	0.0892	1.1639
65	0.0925	1.2908
66	0.0967	1.4195
67	0.1017	1.5499
68	0.1058	1.6904
69	0.1108	1.8359
70		2.0124
71		2.2099
72		2.4694
73		2.7433

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
74		3.0317
75		3.3470
76		3.6911
77		4.0908
78		4.5582
79		5.0984
80		5.6880
81		6.3602
82		7.0612
83		7.8181
84		8.6576
85		9.5971
86		10.6404
87		11.7822
88		13.0087
89		14.3059
90		15.6632
91		16.9431
92		18.2807
93		19.6954
94		21.1940
95		22.7729
96		24.2220
97		25.7717
98		27.4307
99		29.2072
100		31.1139
101		32.6320
102		34.2545
103		35.9867
104		37.8360
105		39.7830
106		41.8611
107		44.0793
108		46.4474
109		48.9749
110		51.6712
111		54.5501
112		57.6228
113		60.9057
114		64.4101

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
115		68.1545
116		72.1551
117		76.4311
118		81.0051
119		83.3333
120		83.3333

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Additional Insured Term Insurance	Additional Insured Term Insurance (for the Waiver of Monthly Deductions)
35	0.0742	0.0108
36	0.0792	0.0108
37	0.0858	0.0108
38	0.0892	0.0117
39	0.0942	0.0125
40	0.1000	0.0125
41	0.1058	0.0133
42	0.1125	0.0142
43	0.1208	0.0158
44	0.1309	0.0167
45	0.1425	0.0183
46	0.1559	0.0200
47	0.1725	0.0225
48	0.1909	0.0250
49	0.2109	0.0292
50	0.2342	0.0333
51	0.2601	0.0392
52	0.2893	0.0467
53	0.3209	0.0567
54	0.3543	0.0683
55	0.3902	0.0833
56	0.4319	0.1008
57	0.4752	0.1208
58	0.5219	0.1425
59	0.5687	0.1675
60	0.6170	0.1075
61	0.6696	0.1183
62	0.7272	0.1300
63	0.7865	0.1358
64	0.8507	0.1492
65	0.9217	0.1608
66	1.0002	0.1625
67	1.0862	0.1617
68	1.1822	0.1308
69	1.2875	0.0733
70	1.4036	0.1075

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Additional Insured Term Insurance	Additional Insured Term Insurance (for the Waiver of Monthly Deductions)
71	1.5374	0.1183
72	1.6870	0.1300
73	1.8492	0.1358
74	2.0274	0.1492
75	2.2249	0.1608
76	2.4418	0.1625
77	2.6805	0.1617
78	2.9445	0.1308
79	3.2296	0.0733

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

## Table of Death Benefit Factors

Attained Age	Factor
0-40	2.50
41	2.43
42	2.36
43	2.29
44	2.22
45	2.15
46	2.09
47	2.03
48	1.97
49	1.91
50	1.85
51	1.78
52	1.71
53	1.64
54	1.57
55	1.50
56	1.46
57	1.42
58	1.38
59	1.34
60	1.30
61	1.28
62	1.26
63	1.24
64	1.22
65	1.20
66	1.19
67	1.18
68	1.17
69	1.16
70	1.15

Policy Number 88888888  
Product Filing Name  
William Penn  
Age 35 Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

## Table of Death Benefit Factors

Attained Age	Factor
71	1.13
72	1.11
73	1.09
74	1.07
75-90	1.05
91	1.04
92	1.03
93	1.02
94-95	1.01
96-120	1.001

Policy Number 88888888  
Product Filing Name  
William Penn  
Age 35 Non-Tobacco  
\$100,000 Specified Amount



To obtain any of the benefits under this policy, write to the Company at its Home Office or to its nearest agent.

Please notify the Company promptly of any change in address.

**ANNUAL ELECTION** — Penn Mutual is a mutual life insurance company. It has no stockholders. The Owner of this policy is a member of Penn Mutual while this policy is in force during the life of the Insured and before surrender of this policy. Members have the right to vote in person or by proxy at the annual election of Trustees held at the Home Office, on the first Tuesday of March. If more information is desired, it may be obtained from the Secretary.

Policyholder Service Office of Company The Penn Mutual Life Insurance Company

Address Mail Code C2L,  
Philadelphia, PA 19172  
Telephone # 1-800-523-0650

Name of Agent \_\_\_\_\_

Address \_\_\_\_\_

Telephone # \_\_\_\_\_

If we at The Penn Mutual Life Insurance Company fail to provide you with reasonable and adequate service, you should feel free to contact:

Arkansas Insurance Department

1200 West Third Street  
Little Rock, AR 72201  
(800)852-5494 or (501)371-2640

**Flexible Premium Adjustable  
Indexed Life Insurance Policy**

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Indexed Account Feature
- Participating
- Supplemental benefits, if any, listed on Page 3

# Rider - Supplemental Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of the Policy and this rider, to provide this Term Insurance Benefit. We also agree to provide all of the other benefits which are stated in this rider. This rider is a part of the Policy to which it is attached. It is subject to all of the provisions of the Policy unless stated otherwise in this rider.

**Term Insurance Benefit** - The amount of the Term Insurance Benefit provided under this rider is shown on Page 3.

There are no cash values or loan values associated with this rider.

**Basic Death Benefit** - The Basic Death Benefit of the Policy to which this rider is attached is modified to include the Term Insurance Benefit under this rider as follows:

- (a) If the policy has a **Level Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (1) the Specified Amount of the Policy plus the Term Insurance Benefit; or
  - (2) the Policy Value multiplied by an attained age factor shown in the Table of Death Benefit Factors.
- (b) If the policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (1) the Specified Amount of the Policy plus the Term Insurance Benefit plus the Policy Value; or
  - (2) the Policy Value multiplied by an attained age factor shown in the Table of Death Benefit Factors.

**Suicide Exclusion** - If the Insured dies by suicide, while sane or insane, within two years from the effective date of this rider, the Term Insurance Benefit will be limited to the Monthly Deductions associated with such benefit.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Term Insurance Benefit, the Term Insurance Benefit with respect to that increase will be limited to the Monthly Deductions for that increase.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any reinstatement, the Term Insurance Benefit will be limited to the Monthly Deductions associated with such benefit since the date of reinstatement.

**Change in Amount of Coverage** - The Term Insurance Benefit may be changed subject to the following conditions:

- (a) Any change in coverage must be at least the minimum amount as shown on Page 3;
- (b) Any request for an increase must be applied for on a written application that we have provided. Evidence of insurability satisfactory to us must be provided;
- (c) Any decrease will successively decrease, in reverse order, the most recent increases, if any.

**Monthly Deductions** - While this rider is in force, the Monthly Deduction under the Policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of:

- (a) the monthly expense charge per \$1,000 of the original Term Insurance Benefit;

- (b) the monthly expense charge per \$1,000 of any increases in the Term Insurance Benefit; and,
- (c) the Cost of Insurance for the Term Insurance Benefit under this rider.

We will determine the monthly expense per \$1,000 charges for this rider based on expectations as to future mortality, investment, expense, and persistency experience. We will not adjust such charges as a means of recovering prior losses or as a means of distributing prior profits. The rates will not exceed the maximum expense charges as shown on the Page 3.

**Cost of Insurance** - The Cost of Insurance for the Policy will take into account the Term Insurance Benefit. The Cost of Insurance is determined separately for the initial Specified Amount and Term Insurance Benefit and for any increases. The total Cost of Insurance for a policy month is calculated as the sum of (a) plus (b) where:

- (a) is the Cost of Insurance for the initial coverage and additional coverages; and
- (b) is the Cost of Insurance for the Term Insurance Benefit under this rider.

The Cost of Insurance for a policy month for the initial and additional coverages under this Policy is equal to (c) multiplied by (d) where:

- (c) is the applicable Cost of Insurance Rate for the Policy divided by 1,000; and
- (d) is the Net Amount at Risk attributed to the initial and additional coverage.

The Cost of Insurance for a policy month for the Term Insurance Benefit under this rider is equal to (e) multiplied by (f) where:

- (e) is the applicable Cost of Insurance Rate for the Term Insurance Benefit divided by 1,000; and
- (f) is the Net Amount at Risk attributed to the Term Insurance Benefit.

If the policy has a **Level Death Benefit Option**, as shown on Page 3, the Net Amount at Risk attributed to the initial coverage is calculated as (g) minus (h) where:

- (g) is the Specified Amount divided by the Death Benefit Discount Factor; and
- (h) is the Policy Value allocated to the Specified Amount at the beginning of the policy month before the Monthly Deduction is due.

If the policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Net Amount at Risk attributed to the initial coverage is calculated as (i) minus (j) where:

- (i) is the Specified Amount plus the Policy Value divided by the Death Benefit Discount Factor; and
- (j) is the Policy Value allocated to the Specified Amount at the beginning of the policy month before the Monthly Deduction is due.

The Net Amount at Risk attributed to the Term Insurance Benefit is calculated as (k) minus (l) where:

- (k) is the Term Insurance Benefit divided by the Death Benefit Discount Factor; and
- (l) is the Policy Value allocated to the Term Insurance Benefit at the beginning of the policy month before the Monthly Deduction is due.

For purposes of determining the allocation of Net Amount at Risk between the Specified Amount and the Term Insurance Benefit, the Policy Value will be allocated as follows:

- (i) first to the initial Specified Amount coverage,
- (ii) then to any coverages resulting from increases in the Specified Amount in the order of the increases,
- (iii) then to the initial Term Insurance Benefit coverage, and
- (iv) then to any coverages resulting from increases in the Term Insurance Benefit in the order of the increases.

Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

**Cost of Insurance Rate** - The Cost of Insurance Rate for the initial Term Insurance Benefit is based on policy year and on the attained age, sex, and rate class of the Insured. The Cost of Insurance Rate for any coverage resulting from an increase in the Term Insurance Benefit will be based on the policy duration since the effective date of the increase. It will also be based on the attained age, sex, and rate class of the Insured on the effective date of the increase. We will determine current monthly Cost of Insurance Rates based on expectations as to future mortality, investment, expense, and persistency experience. However, these rates will not exceed those shown for this rider in the Additional Policy Specifications.

**Surrender Charge** - The Surrender Charge for the Policy to which this rider is attached is modified for the Term Insurance Benefit under this rider. The Maximum Surrender Charge Premium as shown on Page 3 will be based on the Term Insurance Benefit in addition to the initial Specified Amount. The per thousand factor as shown on Page 3 will be applied to the sum of the initial Specified Amount plus the initial Term Insurance Benefit.

For an equal increase in the Term Insurance Benefit and Specified Amount of the Policy, the Surrender Charge for the increase is modified to account for the increase in the Term Insurance Benefit. The maximum surrender charge premium will be based the Term Insurance Benefit in addition to the Specified Amount of the Policy. The per thousand factor as shown on Page 3 will be applied to the amount of the increase in the Specified Amount of the Policy plus the increase in the Term Insurance Benefit.

The surrender charge for each increase in the Term Insurance Benefit without an equal increase in Specified Amount in the Policy is based on the amount of the increase and on the attained age of the Insured at the time of the increase. The surrender charge for each increase in the Term Insurance Benefit is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the effective date of the increase; and
- (b) is 90% of the lesser of:
  - (i) the total premium paid with the increase during the 12 months after the date of the increase;
  - (ii) the Maximum Surrender Charge Premium as determined at the effective date of the increase based on the attained age, sex, and rate class of the Insured; and
  - (iii) the per thousand of the increase amount premium shown on Page 3.

A surrender charge will be deducted from the Policy Value upon a decrease in the Term Insurance Benefit in the first five policy years. The charge is based on a proportional amount of the decreased amount of the coverage decreased. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.

**Policy Value Enhancement** – After the policy reaches the date as shown on Page 3, a monthly Policy Value Enhancement will be paid on subsequent monthly anniversaries. This is on top of any enhancement in the Policy. The Enhancement is guaranteed at the rate shown on Page 3 multiplied by (a) divided by (b), where:

- (a) is the Term Insurance Benefit, and
- (b) is the sum of the Term Insurance Benefit and the Specified Amount.

The Enhancement is based on Net Policy Value. Any enhancements will be applied on a pro-rata basis in proportion to the current net value of each account.

**Misstatement of Age or Sex** - If the age or the sex of the Insured has been misstated, the Term Insurance Benefit will be the amount that would have been provided by the most recent Cost of Insurance charge at the correct age and sex. No adjustment in the Policy Value will be made.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from the Effective Date, except for fraud in the procurement of the rider, when permitted by applicable law. Any increase in the Term Insurance Benefit will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

**Termination of Rider** - This rider will terminate upon:

- (a) the Termination Date for this rider shown on Page 3; or
- (b) lapse of this Policy; or
- (c) surrender of this Policy; or
- (d) the maturity date of this Policy; or
- (e) the date of death of the Insured; or
- (f) the Monthly Anniversary which coincides with or next follows our receipt of a written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company



President and Chief Executive Officer

# Rider - Additional Insured Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Additional Insured Term Insurance Benefit. We also agree to provide all of the other benefits which are stated in this rider.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Additional Insured Term Insurance Benefit** - We will pay, upon receipt of due proof of the death of an Additional Insured while this rider is in force, the Additional Insured Term Insurance Benefit. The amount of the Term Insurance Benefit for an Additional Insured is the Specified Amount for such Additional Insured as shown on Page 3.

The Term Insurance Benefit payable upon the death of an Additional Insured will be paid to the beneficiary of such benefit in one sum or, if elected, under an income payment option. If part or all of the benefit is paid in one sum, we will pay interest on this sum from the date of death to the date of payment. We will determine the interest rate each year, but it will not be less than the Guaranteed Minimum Interest Rate used in the base policy per year compounded annually, or such higher rate as may be required by state law.

**Suicide Exclusion** - If an Additional Insured dies by suicide, while sane or insane, within two years from the effective date of that Additional Insured's coverage under this rider, the term insurance benefit with respect to such death will be limited to the cost of such benefit.

If an Additional Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in that Additional Insured's Specified Amount, the term insurance benefit with respect to that increase will be limited to the cost for that increase.

If the Additional Insured dies by suicide, while sane or insane, within two years from the effective date of any reinstatement, the term insurance benefit will be limited to the cost associated with such benefit since the date of reinstatement.

**Beneficiary** - The beneficiary of the Term Insurance Benefit for an Additional Insured is as stated in the application for that Additional Insured's coverage under this rider unless changed by a subsequent beneficiary designation. If no other provision is made, the interest of a beneficiary of an Additional Insured's Term Insurance Benefit who dies before that Additional Insured will pass to you.

**Right to Convert Term Insurance** - The term insurance under this rider for an Additional Insured may be converted to a life or endowment policy without evidence of insurability at any time while such insurance is in force. You must make a written request for the conversion. On or before the date of conversion, you must pay the first premium for the new policy.

The new policy will be:

- (a) on a plan which insures only the life of the Additional Insured;
- (b) in the same rate class and subject to the same limitations of risk as the term insurance on the Additional Insured under this rider;
- (c) issued at the age of the Additional Insured on the birthday which is nearest to the date of the conversion;
- (d) on the policy form and at the premium rates in use on the date of the conversion; and

- (e) subject to our rules as to minimum amount, plan of insurance and age at issue which are in effect on the date of conversion.

The inclusion of any supplemental agreements and riders in the new policy will be subject to our consent and must comply with our rules.

**Death of Insured** - If the death of the Insured under this policy occurs while this rider is in force, the term insurance on each Additional Insured covered by this rider will continue for a period of 90 days beginning on the date of death of the Insured. This term insurance may be converted during the 90 day period. At the end of the 90 day period all term insurance under this rider will terminate.

**Change in Specified Amount**—The Specified Amount for an Additional Insured may be changed subject to the following conditions:

- (1) Any change in the Specified Amount must be at least the minimum amount as shown on Page 3.
- (2) Any increase in the Specified Amount must be applied for on a written application. Evidence of insurability satisfactory to us must be submitted on such Additional Insured.
- (3) The Specified Amount may not be decreased to less than the Minimum Specified Amount as shown on Page 3.
- (4) The Specified Amount for an Additional Insured may not be increased to more than the Specified Amount on the Insured under this policy.
- (5) Any decrease in the Specified Amount will successively decrease in reverse order the most recent increases, if any, in the Specified Amount for that Additional Insured.

**Monthly Deduction** - While this rider is in force, the Monthly Deduction under this policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of the following:

- (a) the Cost of Insurance for the policy month for the Term Insurance Benefit under this rider;
- (b) if the Term Insurance Benefit under this rider for an Additional Insured is in its first year, a monthly expense charge as shown on Page 3 for each \$1,000 of Specified Amount for that Additional Insured; and
- (c) if the Specified Amount for an Additional Insured has been increased within the past year, a monthly expense charge as shown on Page 3 for each \$1,000 that the Specified Amount has been increased.

**Cost of Insurance** - The Cost of Insurance for the Term Insurance Benefit under this rider is determined separately on a monthly basis for each Additional Insured. This Cost of Insurance is determined separately for each increase in the Term Insurance Benefit for an Additional Insured. The Cost of Insurance for each Additional Insured for a policy month is calculated as (a) multiplied by (b), where:

- (a) is the Cost of Insurance rate for an Additional Insured; and
- (b) is the Specified Amount for such Additional Insured.

The Cost of Insurance Rate is based on policy year and on the issue age, sex and rate class of that Additional Insured. The Cost of Insurance Rates for any increase in the Term Insurance Benefit will be based on the policy duration since the effective date of the increase. It will also be based on the attained age, sex, and rate class of the Additional Insured on the effective date of the increase. We will determine Cost of Insurance Rates based on expectations as to future experience, investment, expense and persistency experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

We will not adjust Cost of Insurance Rates as a means of recovering prior losses nor as a means of distributing prior profits.

If this policy includes a Disability Waiver of Monthly Deductions Benefit, the Cost of Insurance for each policy month for such benefit is increased by (a) multiplied by (b) for each Additional Insured, where:

- (a) is the Cost of Insurance Rate for the Waiver of Monthly Deductions for this rider; and
- (b) is the Specified Amount for the Additional Insured.

For each Additional Insured the Cost of Insurance Rate for the Waiver of the Monthly Deductions for this rider is based on the attained age, sex and rate class of both the Insured and the Additional Insured. We will determine Cost of Insurance Rates based on expectations of future experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

**Computation of Values** All values and benefits in this rider are equal to or greater than those required by the Interstate Insurance Product Regulation Commission.

**Attained Age** - The attained age of an Additional Insured under this rider is the age nearest birthday of that Additional Insured on the most recent policy anniversary.

**Misstatement of Age** - If the age of an Additional Insured has been misstated, the Term Insurance Benefit for that Additional Insured will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age.

**Incontestability** - An Additional Insured's coverage under this rider will be incontestable after it has been in force during the life of such Additional Insured for two years from the effective date of such coverage, except for fraud in the procurement of the rider, when permitted by applicable law. Any increase in the Term Insurance Benefit for an Additional Insured will be incontestable after the increase has been in force during the life of such Additional Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

**Termination of Additional Insured's Coverage** - The coverage of an Additional Insured under this rider will terminate:

- (a) on the anniversary of this policy which is nearest to the Additional Insured's 80th birthday;
- (b) on the date of the conversion of the term insurance on such Additional Insured;
- (c) 90 days after the death of the Insured; or
- (d) upon the termination of this rider.

**Termination of Rider** - This rider will terminate upon:

- (a) lapse of this policy;
- (b) surrender of this policy;
- (c) the date of the death of the Insured, provided that such termination will not affect any benefit provided by this rider during the 90 days following the death of the Insured;
- (d) the date on which there is no longer any Additional Insured covered under this rider; or
- (e) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:



- (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
- (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell". The signature is enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider - Children's Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this supplemental rider, to provide the Children's Term Insurance Benefit. The amount of the Children's Term Insurance Benefit is the Specified Amount for the Children's Term Insurance Rider as shown in the Schedule of Benefits on Page 3. We also agree to provide all of the other benefits which are stated in this rider.

This supplemental rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Children's Term Insurance Benefit** - We will pay, upon receipt of due proof of the death of an Insured Child while this rider is in force, a death benefit in an amount equal to the Specified Amount of this rider. The death benefit will be paid to the beneficiary of such benefit in one sum or, if elected, under an income payment option. We will pay interest on this sum from the date of death to the date of payment. We will determine the interest rate each year, but it will not be less than the interest rate used in the base policy per year compounded annually.

There are no cash values or loan values associated with this rider.

**Suicide Exclusion** - If an Insured Child dies by suicide, while sane or insane, within two years from the effective date of that child's coverage under this rider, the death benefit with respect to such death will be limited to the premiums paid for this rider for the period that such coverage was in effect.

If an Insured Child dies by suicide, while sane or insane, within two years from the effective date of an increase in the Specified Amount under this rider, the death benefit with respect to that increase will be limited to the premiums paid for that increase.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any reinstatement, the death benefit will be limited to the premiums paid for this rider since the date of reinstatement

**Insured Child** - Insured Child means a natural child, a stepchild or a legally adopted child of the Insured who is at least 15 days and not more than 23 years of age and who:

- (a) is named in the application for this rider and who, on the date of the application, is less than 18 years of age; or
- (b) is born to the Insured after the date of the application for this rider; or
- (c) after the date of the application for this rider and prior to attaining the age of 18 years, is legally adopted by the Insured.

**Child's Beneficiary** - The beneficiary of each Insured Child under this rider is the Insured, if living. Otherwise, the beneficiary is the Insured's executors or administrators unless otherwise provided.

**Conversion of Insurance on Insured Child** - On the anniversary of this policy nearest an Insured Child's 23rd birthday, the term insurance then in force under this rider on the life of such Insured Child may be converted without evidence of insurability to a new policy. You must make a written request for the conversion. The first premium for the new policy must be paid on or before the date of conversion.

The new policy will be:

- (a) for an amount not exceeding five times the Specified Amount under this rider;
- (b) on a plan which insures only the life of the Insured Child;
- (c) incontestable from its date of issue;
- (d) on the policy form and at the premium rates we use on the date of the conversion; and
- (e) subject to our rules as to minimum amount, plan of insurance and age at issue which are in effect on the date of conversion.

The inclusion of any supplemental agreements or riders in the new policy will be subject to our consent and must comply with our rules.

**Death of Insured** - If the death of the Insured under this policy occurs while this rider is in force, the term insurance on each Insured Child covered by this rider will continue in force until the anniversary of this policy nearest the Insured Child's 23rd birthday. The premiums for such term insurance will be waived.

**Incontestability** - An Insured Child's coverage under this rider will be incontestable after it has been in force during the life of such Insured Child for two years from the effective date of such coverage, except for fraud in the procurement of the rider, when permitted by applicable law.

**Monthly Deduction** - While this rider is in force, the Monthly Deduction under this policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is a monthly expense charge. The guaranteed monthly expense charge as shown on Page 3 is for each \$1,000 of Specified Amount for an Insured Child. If the Specified Amount for an Insured Child has been increased, a monthly expense charge per \$1,000 will be assessed on the amount of the increase. We may use current charges that are lower than the guaranteed charges.

**Termination of Insured Child's Coverage** - The coverage of an Insured Child under this rider will terminate:

- (a) on the anniversary of this policy which is nearest to the Insured Child's 23rd birthday; or
- (b) upon termination of this rider.

**Termination of Rider** - This rider will terminate upon:

- (a) lapse of this policy;
- (b) surrender of this policy;
- (c) the maturity date of this policy; or
- (d) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive style.

President and Chief Executive Officer



## The Penn Mutual Life Insurance Company

Insured: **William Penn**

Policy Number: **8888888**

**\$100,000 Specified Amount**  
(Level Death Benefit Option)

**Policy Date:** April 1, 2012

**Date of Issue:** April 1, 2012

The Penn Mutual Life Insurance Company agrees, subject to the provisions of this policy, to pay the Death Benefit to the Beneficiary upon receipt of due proof of the death of the insured. The Penn Mutual Life Insurance Company also agrees to provide all of the other benefits stated in this policy.

This contract is made in consideration of the payment of premiums as provided in this policy. The provisions on this and the following pages are part of this policy.

Although an external index or indices may affect the policy values, the policy itself does not directly participate in any stock or equity investments. The benefits, values, periods of coverage or premiums are on an indeterminate basis. The initial interest rate for the Fixed Account is guaranteed only for a limited period of time.

Executed on the Date of Issue by the Penn Mutual Life Insurance Company.



Managing Corporate Counsel  
and Secretary



President and  
Chief Executive Officer

**FREE LOOK PERIOD** - This policy may be canceled by returning it within 10 days after it is received by the policyowner. If this policy is a Replacement Policy it may be cancelled by returning it within 30 days after it is received by the policyowner. In either situation, it must be returned to the Penn Mutual Life Insurance Company or to the agent through whom it was purchased. This policy will then be considered void as of its inception. Any premium paid on it will be refunded.

**READ YOUR POLICY CAREFULLY.** This policy is a legal contract between the Owner and the Penn Mutual Life Insurance Company.

### Flexible Premium Adjustable Indexed Life Insurance Policy

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Indexed Account Feature
- Participating
- Supplemental benefits, if any, listed on Page 3

# Guide to Policy Sections

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| 1. Policy Specifications           | 8. Death and Maturity Benefits     |
| 2. Endorsements                    | 9. Surrender of Policy             |
| 3. Qualification as Life Insurance | 10. Basis of Computation of Values |
| 4. Premiums                        | 11. Policy Changes                 |
| 5. Lapse and Reinstatement         | 12. General Provisions             |
| 6. Policy Loans                    | 13. Income Payment Options         |
| 7. Owner and Beneficiary           | 14. Income Payment Option Table    |

Additional Policy Specifications, any Supplemental Agreements and a copy of any applications follow Section 14.

# 1. Policy Specifications

Insured: **William Penn**  
Policy Number: **8888888**  
Specified Amount: **\$100,000**

Age: 35 Male  
Rate Class: Standard Non-Tobacco  
Life Insurance Qualification Test: Guideline Premium  
Death Benefit Option: Level  
Issue State: PA

## Important Dates

Policy Date: April 1, 2012  
Date of Issue: April 1, 2012  
Maturity Date: April 1, 2098

## Benefits and Riders

Name	Amount	Other Information
Supplemental Term Insurance	\$100,000	Policy Value Enhancement Date: April 1, 2022  Policy Value Enhancement: 0.15%  Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first 120 months following the policy date): \$0.572  Max. Monthly Expense Charge per \$1,000 of Term Insurance Benefit (for the first 120 months following an increase in Specified Amount): See Additional Policy Specifications  Termination Date: April 1, 2098
Overloan Protection Benefit	n/a	Minimum Age: 75  Minimum Years: 15  Specified Loan Percentage: 96%  One Time Charge: 3.5%
Chronic Illness Accelerated Benefit	n/a	n/a
Accelerated Death Benefit for Terminal Condition	n/a	n/a
Disability Waiver of Stipulated Premium	n/a	Stipulated Premium \$2,160.00
Accidental Death Benefit	\$100,000	n/a

## Premiums

Planned Initial Premium	\$2,836.66
Planned Payment Frequency	Annual
Guideline Annual Premium	\$2,836.66
Guideline Single Premium	\$35,091.66

## Initial Premium Allocation

Account	% of Premium
1 Year S&P 500 Indexed Account	100%

## No Lapse Guarantee

The monthly No-Lapse Premium is \$170.00.  
The No-Lapse Period End Date is April 1, 2042.

Although the policy will remain in effect until the No-Lapse Period End Date if the No-Lapse Guarantee Requirement is satisfied, you may be forgoing the advantage of building up a significant policy value.



## Surrender Charges

Maximum Surrender Charge Premium: \$2,160.00

Initial Maximum Surrender Charge: \$1,994.00

Surrender Charge per thousand of initial Specified Amount premium: \$25.00

Surrender Charge per thousand of increase amount premium: \$25.00

Policy Year	Surrender Factors
1	100%
2	89%
3	78%
4	67%
5	56%
6	45%
7	34%
8	23%
9	12%
10 and later	0%

## Expense Charges

Maximum percent of premium charge	8%
Maximum monthly per policy expense charge	\$9.00
Maximum monthly expense charge per \$1,000 of Specified Amount (for the first 120 months following the policy date)	\$0.422
Maximum monthly expense charge per \$1,000 of Specified Amount (for the first 120 months following an increase in Specified Amount)	See Additional Policy Specifications

## Interest Rates

Guaranteed Minimum Interest Rate	1% Annual Rate 0.08295% Monthly Rate
Death Benefit Discount Factor	1.0008295
Policy Value Enhancement	0.30%
Policy Value Enhancement Date	April 1, 2022
Indexed Loan Interest Rate	6% Policy Years 1-10 5.5% Policy Years 11 & After

## Minimums

Minimum Premium Payment	\$25.00
Minimum Allocation to Dollar Cost Averaging Account	\$600.00
Minimum Allocation to Indexed Account	\$25.00
Minimum Transfer to Indexed Account	\$25.00
Minimum Specified Amount	\$50,000.00
Minimum Specified Amount Change	\$10,000.00
Minimum Partial Withdrawal	\$250.00
Minimum Amount to Apply for Income Payment Option	\$5,000.00
Minimum Income Payment	\$50.00
Minimum Total of Income Option 3 Payments	\$75.00

## Fees

Partial Withdrawal processing fee percentage	2%
Partial Withdrawal processing fee dollar amount	\$25
Maximum Fee for Projection of Benefits and Values	\$25

## Important Notices

The owner and beneficiary are as provided in the application or as amended.

Your annual statement will include important notices on when your policy may lapse based on interest rates, expenses, cost of insurance rates and premium payments.

Insurance will terminate if the premiums paid and the interest credited are insufficient to cover the monthly deductions, except as provided in section 4.

Section 7702A of the Internal Revenue Code of 1986 establishes a class of life insurance contracts designated as "Modified Endowment Contract." The rules relating to whether a policy will be treated as a Modified Endowment Contract are extremely complex. Please consult a qualified tax advisor regarding your own personal situation.

The Dollar Cost Averaging Period is 12 months.

In this Policy, “We”, “Us”, or “Our” means The Penn Mutual Life Insurance Company; “You” and “Your” means the Owner of the Policy; and “Insured” means the person whose life is covered under the Policy.

### 3. Qualification as Life Insurance

The life insurance qualification test for this Policy will be the Guideline Premium Test unless otherwise elected in the application. The test for this Policy is shown on Page 3. The test may not be changed at any time after the Policy is issued.

We may limit premium payments as necessary in order to qualify the Policy as a life insurance contract under Section 7702. No payment will be returned or refused if it is necessary to continue coverage.

**Guideline Premium Test**—Under this test, the amount of premium that can be paid in a policy year may not exceed the Maximum Premium Limit. The limit for a policy year is the largest amount of premium which can be paid in that policy year such that the sum of the premiums paid will not at any time exceed the guideline premium limitation. The limitation is referred to in Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor thereto. The Maximum Premium Limit for the following policy year will be shown on the Annual Report.

In addition, a minimum margin must exist between the Death Benefit and the Policy Value. The margin is defined in Section 7702 and is based on the attained age of the Insured. The Basic Death Benefit will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section for further details.

**Cash Value Accumulation Test**—Under this test, the Policy Value cannot at any time exceed the net single premium required to fund the future benefits under the Policy. The net single premium is defined in Section 7702 of the Internal Revenue Code. The Basic Death Benefit will be adjusted accordingly with factors shown in the Table of Death Benefit Factors to satisfy the requirements of this test. See the Death Benefit Section and the Contract provision for further details.

### 4. Premiums

**Payment of Premiums**—Premiums are payable while this Policy is in force until the Maturity Date. The first premium is due on or prior to the Date of Issue. Premiums after the first may be paid in any amount and at any interval subject to the following conditions:

- (1) No premium payment may be less than the minimum as shown on Page 3.
- (2) We require submission of evidence of insurability on subsequent premiums that cause an immediate increase in the difference between the Death Benefit and the Policy Value. The increase will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date. Any application for such increase will be attached to and made a part of the Policy.
- (3) If the Guideline Premium Test is in effect, total premiums paid in any policy year may not exceed the Maximum Premium Limit for that policy year. If excessive premium is paid we are authorized to refund only the portion that is over the limit. No payment will be returned or refused if it is necessary to continue coverage.

Each premium after the first is payable at our Home Office. A receipt signed by the President or the Secretary will be given on request. If a loan is outstanding, deposits not designated as premium or loan repayment will be applied as premium payments.

**No-Lapse Guarantee Requirement**—The requirement prevents the lapse of the Policy when the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following month. The requirement ceases on the No-Lapse Period End Date shown on Page 3. To satisfy the requirement, (a) minus (b) must equal or exceed (c), where:

- (a) is the sum of all premiums paid on this Policy;
- (b) is the sum of any partial withdrawals; and
- (c) is the No-Lapse Premium multiplied by the number of elapsed months since the Policy Date.

A change in the Specified Amount, the addition or deletion of any supplemental riders to this Policy, or a change in the rate class of the Insured may result in a change in the No-Lapse Premium. The No-Lapse Period End Date will not be changed.

We will continue to deduct Monthly Deductions from the Policy Value while the Policy is in force under the requirement. The Policy will remain in force with a negative Policy Value if the requirement is satisfied. We will not credit interest to the negative Policy Value. The Net Amount at Risk will not exceed the Basic Death Benefit divided by the Death Benefit Discount Factor due to the negative Policy Value. The Net Cash Surrender Value on the No-Lapse Period End Date may be insufficient to keep the policy in force. An additional payment may be necessary.

**No-Lapse Premium**—The No-Lapse Premium is the amount shown on Page 3.

**No-Lapse Guarantee Requirement Restrictions**—If the Return of Premium Term Insurance Rider is attached to this Policy, this requirement section does not apply to the Term Insurance Benefit associated with that Rider.

If there is any Policy Debt on the Policy, this requirement section does not apply. Therefore, the Policy would enter the grace period if the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following month. You can reinstate the requirement by repaying the Policy Debt.

**Continuation of Insurance**—If all premium payments cease, this Policy will continue, subject to the Grace Period Provision, for as long as the values in this Policy are sufficient to keep it in force. The Policy will continue in accordance with the provisions of this Policy and any supplemental riders attached to this Policy.

**Grace Period**—If, on a Monthly Anniversary prior to the No-Lapse Period End Date shown on Page 3:

- (a) the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month; and
- (b) the No-Lapse Guarantee Requirement is not satisfied,

then a grace period of 61 days will be allowed for the payment of a premium for the grace period plus sufficient premium to keep this Policy in force for one month.

If, on a Monthly Anniversary on or after the No-Lapse Period End Date shown on Page 3, the Net Cash Surrender Value is insufficient to cover the Monthly Deduction for the following policy month, a grace period of 61 days will be allowed for the payment of a premium sufficient to pay the Monthly Deduction.

Notice of the amount of premium required to be paid during the grace period to keep this Policy in force will be sent to your last known address. The notice will be sent at least 30 days before the end of the 61-day grace period. This Policy will remain in force during the grace period.

## 5. Lapse and Reinstatement

**Lapse**—If a premium sufficient to keep this Policy in force is not paid during the grace period, this Policy will lapse at the end of the grace period. At lapse this Policy will terminate without value and cease to be in force.

**Reinstatement**—This Policy may be reinstated within five years after lapse. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

The effective date of a reinstatement will be the date of our approval of the application for reinstatement. Such application will be attached to and made a part of the reinstated policy. Following reinstatement, the Policy Date continues to be the date shown on Page 3.

The policy value on the date of reinstatement is the sum of:

- (a) the policy value at the beginning of the grace period of lapse, including any Policy Debt;
- (b) interest on (a) at the Guaranteed Minimum Interest Rate per year until the date of reinstatement;
- (c) any dividend credited to the policy;
- (d) interest on (c) at the Guaranteed Minimum Interest Rate until the date of reinstatement; and
- (e) the payment made upon reinstatement reduced by the percent of premium charge

less the sum of:

- (a) the Monthly Deductions for the grace period;
- (b) interest on (a) at the Guaranteed Minimum Interest Rate per year until the date of reinstatement; and
- (c) the Monthly Deduction for the policy month following the date of reinstatement.

The surrender charge set forth in the Surrender of Policy Section will continue to apply to any surrender of this Policy following reinstatement. The surrender charge will be calculated based on the Policy Date and will include the period while the Policy was lapsed.

Following reinstatement, the provisions of No-Lapse Guarantee Requirement set forth in Premium Section will again be applicable until the No-Lapse Period End Date shown on Page 3. There must be no Policy Debt on the Policy.

Sufficient premium must be paid so that, as of the effective date of reinstatement, (a) minus (b) equals or exceeds (c), where:

- (a) is the sum of all premiums paid on this Policy;
- (b) is the sum of any partial withdrawals; and
- (c) is the No-Lapse Premium multiplied by the number of elapsed months since the Policy Date.

## 6. Policy Loans

**Policy Loan**—You may obtain a loan while this Policy is in force during the life of the Insured. The loan, plus any existing Policy Debt, may not be greater than the Loan Value of this Policy on the date of the loan.

We may defer making a loan for up to six months from the date of the loan request. However, a loan to pay a premium due on a policy we issued will not be deferred.

At the time of the first loan, you must choose one of two loan options called the Traditional Loan Option and the Indexed Loan Option. You may have only one loan option active at any point in time.

**Loan Value**—The Loan Value is that amount which, with interest at the then current loan interest rate on this Policy, will accumulate to the projected cash surrender value at the next policy anniversary. The projected cash surrender value at the next policy anniversary is the current cash surrender value projected from the date as of which the Loan Value is being determined to the next policy anniversary.

**Traditional Loan Option**—When a Traditional Loan is taken, an amount equal to the amount of the loan will be withdrawn from the Policy Value. The amount will be placed in the Policy Loan Account. The withdrawal will be made from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, the withdrawal will be made from the Dollar Cost Averaging Account.

You can switch from the Traditional Loan Option by transferring the entire loan balance to the Indexed Accounts by way of the Holding Accounts on a policy anniversary. You also can switch options after repaying the entire loan balance.

**Traditional Loan Interest**—Traditional Loans will bear interest at an adjustable loan interest rate. We will determine the Traditional Loan interest rate as of the first day of each calendar year. Such rate will be effective on the date as of which it is determined. It will apply to any new or outstanding Traditional Loan under this Policy during the calendar year.

The Traditional Loan interest rate will be determined by comparing the rate in effect for the preceding calendar year with a maximum interest rate defined by law and described below. Any change in the Traditional Loan interest rate will be subject to the following:

- (1) The Traditional Loan interest rate will be lowered to be equal to or less than the legal maximum interest rate if such legal maximum interest rate is 1/2% or more lower than the loan interest rate in effect during the preceding calendar year.
- (2) The Traditional Loan interest rate may be increased, by at least 1/2% but not higher than the legal maximum interest rate, if the legal maximum interest rate is 1/2% or more higher than the loan interest rate in effect during the preceding calendar year.

The legal maximum interest rate used in determining the loan interest rate is the greater of:

- (a) Moody's Corporate Bond Yield Average — Monthly Average Corporates as published by Moody's Investors Service, Inc. for the calendar month ending two months prior to the date as of which the loan interest rate is determined; or
- (b) The Guaranteed Minimum Interest Rate used to calculate policy values under this Policy plus 1 percentage point per year.

If Moody's Corporate Bond Yield Average - Monthly Average Corporates is no longer published, the rate used in its place will be as established by law or by regulation of the insurance supervisory official of the jurisdiction in which this Policy is issued.

We will:

- (a) notify you of the initial Traditional Loan interest rate at the time that a loan is made; and
- (b) if there is a loan outstanding on this Policy, give you advance notice of any increase in the Traditional Loan interest rate.

Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on loans.

**Policy Loan Account**—For the Traditional Loan Option, any repayment of Policy Debt will be withdrawn from the Policy Loan Account and reallocated to the Fixed Account. Except for such repayment of Policy Debt, no transfers or partial withdrawals may be made from the Policy Loan Account.

The Policy Loan Account will be credited with interest. We will determine the rate of interest each year. In no event will the interest credited be more than 1% lower than the Traditional Loan interest rate. In no event will the interest credited be less than the Guaranteed Minimum Interest Rate shown on Page 3. Starting in the 11th policy year, the rate of interest credited on the Policy Loan Account will in no event be more than 0.25% lower than the Traditional Loan interest rate.

**Indexed Loan Option** —Indexed Loans are only permitted from the Indexed Accounts or the Holding Accounts. The Fixed Account Value cannot be loaned under the Indexed Loan Option, until transferred into the Indexed Accounts by way of the Holding Accounts. The Indexed Loan is not transferred to the Policy Loan Account but will remain in the Holding Accounts until the next Segment Date or in the Indexed Accounts. The Indexed Loan will continue to be credited interest in the same manner as the un-loaned portion of the Holding Accounts or Indexed Accounts.

You can switch from the Indexed Loan Option by transferring the entire loan balance to the Policy Loan Account on a policy anniversary. You can also switch options after repaying the entire loan balance.

**Indexed Loan Interest**—Indexed Loans will bear interest at the Indexed Loan interest rates listed on Page 3. Loan interest is due and payable at the end of each policy year. If the interest is not paid when due, it will be added to the loan. It will then bear interest at the rate of interest on Indexed Loans.

**Policy Debt**—Policy Debt means outstanding loans on this Policy plus any loan interest due or accrued. Policy Debt may be repaid in full or in part at any time while this Policy is in force during the life of the Insured. This Policy is the only security for Policy Debt on it. If the Policy Debt is greater than the Cash Surrender Value, a notice of pending termination will be mailed to your last known address and that of any assignee on record. If we are not paid the excess Policy Debt, this Policy will terminate 61 days after the notice is mailed.

This Policy will not terminate in a policy year as the sole result of a change in the rate of interest on loans until the time at which it would have terminated if there had been no change in the rate of interest on loans during that policy year.

## 7. Owner and Beneficiary

**Owner**—The Owner of this Policy is as stated in the application unless changed by a subsequent owner designation or assignment. Subject to the terms of any assignment, while this Policy is in force before the death of the Insured, the Owner may exercise all of the rights in it without the consent of any other person.

**Beneficiary**—The Beneficiary of this Policy is as stated in the application unless changed by a subsequent beneficiary designation. We will provide the necessary form. If no other provision is made, the interest of a Beneficiary who dies before the death of the Insured will pass to you.

**Change of Owner or Beneficiary** - You may transfer ownership or change the Beneficiary by filing a written designation at the Home Office. We will provide the necessary form. Unless you specify otherwise, the designation will take effect as of the date you signed the form, subject to any action we have taken prior to the time that the designation is received at the Home Office.

Unless otherwise stated in a designation, the following rules will apply to terms of kinship:

- (a) A legally adopted child of any person will be considered the child of the adopting parent.
- (b) The brothers and sisters of a person will include those who have only one parent in common with the person, but will not include stepbrothers or stepsisters.
- (c) Any reference to children will not include stepchildren and any reference to parents will not include stepparents.

**Assignment** - You may assign this Policy while it is in force during the life of the Insured. Your rights and the rights of any Beneficiary will be subject to the rights of an assignee under the terms of an assignment. We will not be bound by any assignment until you provide a signed form, that we have either provided or find acceptable, and the form has been filed at the Home Office. Unless you specify otherwise, the assignment will take effect as of the date you signed the form, subject to any action we have taken prior to the time that the assignment is received at the Home Office. We are not responsible for the effect or the validity of any assignment.

## 8. Death and Maturity Benefits

**Basic Death Benefit**—The Basic Death Benefit prior to the Maturity Date will be as follows:

- (1) If the Policy has a **Level Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (a) the Specified Amount; or
  - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.
- (2) If the Policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (a) the Specified Amount plus the Policy Value; or
  - (b) the Policy Value multiplied by an attained age factor based on the attained age of the Insured shown in the Table of Death Benefit Factors.



The Basic Death Benefit on the Maturity Date and beyond will be equal to the Net Policy Value, plus interest, until the death of the Insured. In no event will the rate of interest credited be less than the Guaranteed Minimum Interest Rate listed on Page 3.

**Amount of Death Benefit**—The Death Benefit, payable at the death of the Insured while this Policy is in force and before surrender, will be equal to the sum of:

- (a) the Basic Death Benefit on the date of death of the Insured;
- (b) any dividend payable at death of the Insured; and
- (c) any benefit provided by a supplemental rider attached to this Policy and payable because of the death of the Insured;

less the sum of:

- (a) any Policy Debt on this Policy at the time of the death of the Insured; and
- (b) if the death of the Insured occurs during a grace period, the lesser of the past due Monthly Deductions until the date of death of the insured or the amount needed to meet the No-Lapse Guarantee Requirement.

**Suicide Exclusion**—If the Insured dies by suicide, while sane or insane, within two years from the Date of Issue, the Death Benefit will be limited to the premiums paid less any Policy Debt and any partial withdrawals.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Specified Amount, the Death Benefit with respect to that increase will be limited to the Monthly Deductions made for that increase.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any reinstatement, the Death Benefit will be limited to the premiums paid less any Policy Debt and any partial withdrawals since the date of reinstatement.

**Payment of Death Benefit** - Due proof of the death of the Insured will consist of a certified copy of the death certificate of the Insured, or other lawful evidence providing equivalent information, and proof of the claimant's interest in the proceeds. The Death Benefit will be paid to the Beneficiary in one sum or, if elected, under an income payment option. We will pay interest from the date of death to the date of payment. We will determine the interest rate each year. The rate will not be less than the Guaranteed Minimum Interest Rate per year, compounded annually, or such higher rate as may be required by law.

**Amount of Maturity Benefit**—The Maturity Benefit payable if the Insured is living on the Maturity Date and if this Policy is then in force will be equal to the Net Policy Value on that date.

**Payment of Maturity Benefit**—The Maturity Benefit will be paid to you in one sum or, if elected, under an Income Payment Option.

## 9. Surrender of Policy

**Surrender**—You may surrender this Policy for its Net Cash Surrender Value by filing a written request with us. The Net Cash Surrender Value may be taken in one sum or it may be left with us under an income payment option. The annuity benefits at the time of their commencement will not be less than those that would be provided by the application of the Net Cash Surrender Value to purchase a single premium immediate annuity contract at purchase rates we offer at that time to the same class of annuitants. This Policy will terminate and cease to be in force if it is surrendered.

If this Policy is surrendered within 30 days after a policy anniversary, the amount payable on surrender will not be less than the Net Cash Surrender Value on that policy anniversary less any policy loans and partial withdrawals made since the anniversary.

We may defer the payment of the Net Cash Surrender Value in one sum for up to six months from the date of the surrender request. If the payment is deferred for 30 days or more, it will bear interest at the Guaranteed Minimum Interest Rate per year compounded annually while it is deferred.

**Net Cash Surrender Value**—The Net Cash Surrender Value is the Net Policy Value decreased by any surrender charge.

**Net Policy Value**—The Net Policy Value is the Policy Value decreased by any Policy Debt on this Policy.

**Cash Surrender Value**—The Cash Surrender Value is the Policy Value decreased by any surrender charge.

**Surrender Charge**—The surrender charge for the initial Specified Amount is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the Policy Date; and
- (b) is 90% of the lesser of:
  - (i) the Maximum Surrender Charge Premium shown on Page 3;
  - (ii) the total premiums paid in the first policy year; and
  - (iii) the per thousand of initial Specified Amount premium shown on Page 3.

The surrender charge for each increase in Specified Amount is based on the amount of the increase and on the attained age of the Insured at the time of the increase. All premiums paid during the first policy year after the effective date of an increase are applied to the increase in Specified Amount for the calculation of the surrender charge. The surrender charge is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the effective date of the increase; and
- (b) is 90% of the lesser of:
  - (i) the Maximum Surrender Charge Premium provided to you for the effective date of the increase based on the attained age, sex, and rate class of the Insured;
  - (ii) the total premium paid with the increase during the first policy year after the effective date of the increase; and
  - (iii) the per thousand of the increase amount premium shown on Page 3.

A surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount in the first five policy years. The charge is based on a proportional amount of the decreased Specified Amount of the coverage decreased. The Surrender Charge will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account. Surrender charges will not be deducted for decreases that were caused by partial withdrawals or changes to the Death Benefit Option. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.

**Partial Withdrawal**—You may make a partial withdrawal for a portion of the Net Cash Surrender Value by filing a written request with us. The partial withdrawal may not exceed the Minimum Partial Withdrawal shown on Page 3. No more than twelve partial withdrawals may be made in any policy year. No partial withdrawal may be made which would reduce the Specified Amount to less than the Minimum Specified Amount shown on Page 3. A processing fee will be deducted from the available Net Cash Surrender Value and will be considered part of the partial withdrawal. The fee is a percentage of the amount withdrawn as shown on Page 3, not to exceed the dollar amount shown on Page 3.

Any partial withdrawal will reduce the Policy Value by the amount of the partial withdrawal. If the Policy has a Level Death Benefit Option, the Specified Amount will also be reduced by the amount of the partial withdrawal that exceeds the difference between the Death Benefit and the Specified Amount. In those instances, the Specified Amount will be reduced in the following order:

- (a) The most recent increase in Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

Partial withdrawals will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, the partial withdrawal will be made from the Dollar Cost Averaging Account.

The Surrender Charge will not be reduced as a result of a partial withdrawal.

**Systematic Partial Withdrawal Program**—The Systematic Partial Withdrawal Program is a program of periodic distribution of a portion of the Policy Value through policy loans and partial withdrawals. We reserve the right to discontinue such a program at any time. Contact our Home Office for details of how this program works. A processing fee of the percentage of the amount withdrawn as shown on Page 3, but not more than the dollar amount shown on Page 3, will be made for each year the program is active. This program is only available after the first policy year.

We may defer the payment of the amount of a partial withdrawal for up to six months from the date of the partial withdrawal request. However, a partial withdrawal to pay a premium due on a Policy we issued will not be deferred. If the payment is deferred for 30 days or more, it will bear interest at the Guaranteed Minimum Interest Rate per year compounded annually while it is deferred.

## 10. Basis of Computation of Values

**Policy Value**—On the Policy Date the Policy Value is the initial premium paid less the sum of:

- (a) the percent of premium charge, and
- (b) the Monthly Deduction for the first policy month.

On each Monthly Anniversary while this Policy is in force, the Policy Value equals the sum of the values of:

- (a) the Fixed Account;
- (b) the Holding Accounts;
- (c) the Indexed Accounts;
- (d) the Dollar Cost Averaging Account; and
- (e) the Policy Loan Account.

Monthly Deductions will be deducted on the Policy Date and each Monthly Anniversary from the values of the Fixed Account, Holding Accounts, and Indexed Accounts. The Monthly Deductions are deducted on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account.

**Fixed Account**—Amounts allocated or transferred to the Fixed Account will be credited with interest. We will determine the rates as described in the Determination of Nonguaranteed Factors provision below. In no event will the rate of interest credited be less than the Guaranteed Minimum Interest Rate listed on Page 3. The declared rate will apply from the date of allocation or transfer through the end of a twelve month period. The twelve month period begins on the first day of the calendar month in which the allocation or transfer is made. Thereafter, interest will be credited on such amount for successive twelve month periods at the rate then applicable to new allocations to the account.

**Fixed Account Value**—On each Monthly Anniversary while this Policy is in force, the Fixed Account Value is the sum of:

- (a) the value of the Fixed Account on the previous Monthly Anniversary;
- (b) one month's interest on (a);
- (c) any premium allocated to the Fixed Account since the preceding Monthly Anniversary reduced by the applicable percent of premium charge;
- (d) any amount transferred into the Fixed Account from a Holding Account or an Indexed Account since the preceding Monthly Anniversary;
- (e) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary;
- (f) interest on (d) from the date of transfer into the Fixed Account;
- (g) any loan repayments allocated to the Fixed Account since the prior Monthly Anniversary;
- (h) interest on (g) from the date of receipt in the Home Office to the Monthly Anniversary;
- (i) any applicable dividend credited to the Fixed Account Value on the Monthly Anniversary; and
- (j) any applicable Policy Value Enhancement to the Fixed Account on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Fixed Account since the preceding Monthly Anniversary;
- (b) any amount transferred out of the Fixed Account into the Indexed Accounts since the preceding Monthly Anniversary;
- (c) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (d) interest on (b) from the date of transfer out of the Fixed Account.
- (e) the applicable monthly deduction for the following policy month;
- (f) any policy loan or unpaid policy loan interest taken from the Fixed Account; and
- (g) interest on (f) from the date of the loan or loan interest deduction.

On dates other than a Monthly Anniversary, the value of the Fixed Account will be determined consistently with the above.

**Fixed Account Transfers**—Subject to and in accordance with the provisions of this Policy, including the Transfers provision of the Holding Accounts Section and the Indexed Accounts Section:

- (a) an amount held in the Fixed Account may be transferred to the Indexed Accounts by way of the Holding Accounts only during the period which is not more than 30 days immediately following the end of each policy year; and
- (b) the amount that may be transferred excludes any amount held in the Policy Loan Account.

**Holding Accounts**—We will automatically deposit into a Holding Account any premium or amounts allocated or transferred to the Indexed Accounts. The Holding Account Value is then transferred to the next segment of the designated Indexed Account on the next Segment Date as described in the Indexed Accounts provision. Amounts held in a Holding Account will be credited with interest. We will determine the interest rate as described in the Determination of Nonguaranteed Factors provision. In no event will the rate of interest be less than the Guaranteed Minimum Interest Rate listed on Page 3. The declared rate will apply from the date of transfer through the end of the one month period which begins on the first day of the calendar month in which the allocation or transfer is made.

**Holding Account Value**—On each Monthly Anniversary while this Policy is in force, the Holding Account Value is the sum of:

- (a) the value of the Holding Account on the previous Monthly Anniversary;
- (b) interest on (a);
- (c) any additional premium allocated to an Indexed Account and held in the Holding Account since the preceding Monthly Anniversary reduced by the applicable percent of premium charge;
- (d) any amount transferred into an Indexed Account from the Fixed Account or Dollar Cost Averaging Account and held in the Holding Account since the preceding Monthly Anniversary;
- (e) interest on (c) from the date of receipt in the Home Office to the Monthly Anniversary;
- (f) interest on (d) from the date of transfer into the Holding Account;
- (g) any applicable dividend credited to the Holding Account Value on the Monthly Anniversary; and
- (h) any applicable Policy Value Enhancement to the Holding Account on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Holding Account since the preceding Monthly Anniversary;
- (b) any amount transferred out of the Holding Account into the Fixed Account or Indexed Account since the preceding Monthly Anniversary;
- (c) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (d) interest on (b) from the date of transfer out of the Holding Account;
- (e) the applicable monthly deduction for the following policy month;
- (f) any policy loan or unpaid policy loan interest taken from the Holding Account; and
- (g) interest on (f) from the date of the loan or loan interest deduction.

On dates other than a Monthly Anniversary, the value of the Holding Account will be determined consistently with the above.

**Holding Account Transfers**—Subject to and in accordance with the provisions of this Policy, including the Transfers provision of the Fixed Account Section and the Indexed Accounts Section, we will transfer the amount held in the Holding Account to the Indexed Account on the next Segment Date.

**Indexed Accounts**—Any Indexed Accounts offered as of the Policy Date are described in the Additional Policy Specifications. Each Indexed Account is made up of different Segments that earn interest and Index Credits as described in the Additional Policy Specifications. We may add additional Indexed Accounts or remove Indexed Accounts for future allocation. You will be notified of any change that occurs. A Segment cannot be changed to a new or replaced Indexed Account until Segment Maturity.

**Indexed Account Value**—The value of an Indexed Account is the sum of its Segment Values. Premium payments or transfers from another account intended for an Indexed Account are initially allocated to the Holding Account. The Holding Account Value is then transferred to the Indexed Account on Segment Dates. Segments can be funded by transfers from another account on Segment Dates, or amounts retained in

segments following the previous Segment Maturity. The Segment Value at Segment Maturity is used to start a new segment unless you transfer a portion of it to the Fixed Account or another Indexed Account.

Transfers may only be made into an Indexed Account on Segment Dates. Transfers out of an Indexed Account may only be made at Segment Maturity dates. The minimum allocation to an Indexed Account is the amount shown on Page 3. The minimum transfer to an Indexed Account is the amount shown on Page 3. If the Indexed Loan option is chosen, the amount available to transfer out of a segment on the Segment Date is the lesser of the Segment Value for that segment and the difference between the sum of the values of the Indexed Accounts and the outstanding loan.

**Segment Value**—On the Segment Date the Segment Value is the sum of:

- (a) any remaining Segment Value from the previous segment that has just matured; and
- (b) any transfer from the Holding Account, Dollar Cost Averaging Account, or the Fixed Account;

less the applicable Monthly Deduction for the following policy month.

On each Monthly Anniversary while this Policy is in force, the Segment Value equals the sum of:

- (a) the Segment Value on the preceding Monthly Anniversary;
- (b) one month's interest on (a) at the Segment Minimum Interest Rate;
- (c) any Index Credits applied on the Segment Maturity date;
- (d) any applicable dividend credited to the Segment Value on the Monthly Anniversary; and
- (e) any applicable Policy Value Enhancement to the Segment Value on the Monthly Anniversary

less the sum of:

- (a) any partial withdrawal from the Segment Value since the preceding Monthly Anniversary;
- (b) interest on (a) from the date of withdrawal to the Monthly Anniversary;
- (c) any transfer from the Segment Value on the Segment Maturity date;
- (d) the applicable Monthly Deduction for the following policy month; and
- (e) any Traditional policy loan or unpaid loan interest taken from the Segment.

On dates other than a Monthly Anniversary, the value of the Segment will be determined consistently with the above.

**Segment Date**—The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates.

**Segment Duration**—The Segment Duration is shown on the Additional Policy Specifications.

**Segment Maturity Date**—The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

**Dollar Cost Averaging Account**—Premium payments may be allocated to a Dollar Cost Averaging Account. The account systematically transfers a portion of the payment to new segments of Indexed Accounts. The dollar cost averaging period is as shown on Page 3. You can request to terminate the account. The remaining balance will be transferred to the Indexed Accounts using the allocation percentages currently in force at that time, unless otherwise directed by you. The minimum premium payment allocated to the account is shown on Page 3.

Amounts held in a Dollar Cost Averaging Account will be credited with interest. The declared interest rate will apply from the date of the allocation to the account through the end of the dollar cost averaging period. At the expiration of the period, we will declare a rate not less than the Guaranteed Minimum Interest Rate for a new period.

**Policy Value Enhancement** – After the Policy reaches the Policy Value Enhancement Date as shown on Page 3, an enhancement will be paid on subsequent monthly anniversaries. The enhancement is based on the Net Policy Value. The enhancement will be applied on a pro-rata basis in proportion to the current net value of each account. The additional credit will be the monthly equivalent of the Policy Value Enhancement that is shown on Page 3. Once paid, the enhancement will be made part of the Policy Value, which is used in the determination of the Net Cash Surrender Value.

**Monthly Deduction**—The Monthly Deduction is the sum of:

- (a) the Cost of Insurance for the policy month;
- (b) the monthly per policy expense charge;
- (c) the monthly expense charge per \$1000 of Specified Amount; and
- (d) the Monthly Deduction for the policy month for any benefits provided by a supplemental rider made a part of this Policy.

**Net Amount at Risk**—The Net Amount at Risk is equal to (a) divided by (b), minus (c), where:

- (a) is the Basic Death Benefit at the beginning of the policy month;
- (b) is the Death Benefit Discount Factor; and
- (c) is the Policy Value at the beginning of the policy month before the Monthly Deduction.

If the Policy has an Increasing Death Benefit Option, the Policy Value will be allocated to the initial Specified Amount segment in order to determine the Net Amount at Risk.

If there have been any increases in the Specified Amount, the Policy Value will be allocated to the initial Specified Amount for determining the Net Amount at Risk. If the Policy Value exceeds the initial Specified Amount, the excess will be allocated to the increases in Specified Amount in the order of the increases. Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

**Cost of Insurance**—The Cost of Insurance is determined on a monthly basis. It is determined separately for the initial segment as well as for each additional segment created as the result of an increase in the Specified Amount. The total Cost of Insurance for a policy month is calculated as the sum of (a) multiplied by (b) for each segment where:

- (a) is the applicable Cost of Insurance Rate divided by 1,000;
- (b) is the Net Amount at Risk for that segment.

**Cost of Insurance Rate**—The Cost of Insurance Rate is based on policy year and on the issue age, sex and rate class of the Insured. The Cost of Insurance Rate for any increase in Specified Amount will be based on the policy duration since the effective date of the increase. The rate will also be based on the attained age, sex, and rate class of the Insured on the effective date of the increase.

We will determine the Cost of Insurance Rate as described in the Determination of Nonguaranteed Factors provision. These rates will not exceed those shown in the Additional Policy Specifications. Such maximum rates are based on the 2001 Commissioners Standard Ordinary Smoker and Nonsmoker Ultimate Mortality Table, Age Nearest Birthday.

If the policy was issued on an Insured under the age of 20, we will use the 2001 Commissioners Standard Ordinary Composite Ultimate Mortality Table and change to the use of a smoker table when the Insured reaches age 20. When the Insured reaches age 20, we shall notify the insured in writing at least 60 days prior to the effective date of the change in mortality tables. The insured will have the option to elect nonsmoker status by submitting sufficient evidence to us. The Insured shall be assigned a smoker classification if the Insured fails to respond to the notice.

**Expense Charges**—The Expense Charges include the following:

- (a) the monthly per policy expense charge;
- (b) the monthly expense charge per \$1,000 of Specified Amount; and
- (c) the percent of premium charge.

The actual expense charges will be determined as described in the Determination of Nonguaranteed Factors provision. However, these actual expense charges will not exceed the maximum expense charges stated on Page 3.

The per \$1,000 of Specified Amount expense charge on the initial Specified Amount will be eliminated for policies that have been in force over ten policy years.

The per \$1,000 of Specified Amount expense charge for any increases in Specified Amount will be eliminated after the charge has been assessed for 10 years from the date of the increase.

**Determination of Nonguaranteed Factors**—We will determine Cost of Insurance Rates, Expense Charges, and Interest Rates based on expectations as to future mortality, investment, expense, and persistency experience. We will not adjust such rates or charges as a means of recovering prior losses or as a means of distributing prior profits.

**Computation of Values** - All policy values and benefits are equal to or greater than those required by or pursuant to the NAIC Universal Life Insurance Regulation, model #585. A detailed statement of the method of computing Policy Values has been filed with the insurance supervisory official of the jurisdiction in which this Policy is delivered, if required.

## 11. Policy Changes

**Right to Make Change**—At any time while this Policy is in force after the first policy year, you may request changes as set forth in this section. You may not make a change that would result in the Death Benefit under this Policy not being excludable from gross income due to not satisfying the requirements of Section 7702 of the Internal Revenue Code of 1986, as amended, or as set forth in any applicable successor provision thereto. In addition, each change is subject to the conditions stated. This Policy will be amended as the result of any such change.

**Increase in Specified Amount**—An increase in Specified Amount must be applied for on a written application. The increase is subject to our underwriting guidelines in effect at the time of the increase. Evidence of insurability satisfactory to us must be submitted. Any increase must be at least the minimum amount as shown on Page 3.

**Decrease in Specified Amount**—Any decrease in the Specified Amount must be at least the minimum amount as shown on Page 3. The Specified Amount may not be decreased to less than the Minimum Specified



Amount as shown on Page 3. No decrease in the Specified Amount may be made in the first policy year. No decrease may be made in the first year following the effective date of an increase in the Specified Amount.

Any decrease in the Specified Amount will become effective on the Monthly Anniversary that coincides with or next follows our receipt of the request. The decrease in the Specified Amount will be in the following order:

- (a) The most recent increase in the Specified Amount, if any, will be decreased first.
- (b) The next most recent increases in the Specified Amount, if any, will then be successively decreased.
- (c) The initial Specified Amount will then be decreased.

A surrender charge will be deducted from the Policy Value upon a decrease in the Specified Amount in the first five policy years. The charge is based on a proportional amount of the decreased Specified Amount of the coverage decreased. The Surrender Charge will be deducted from the values of the Fixed Account, Holding Accounts, and Indexed Accounts on a pro-rata basis in proportion to the current value of each account. If there is not enough value in these accounts, deductions will be made from the Dollar Cost Averaging Account. Surrender charges will not be deducted for decreases that were caused by partial withdrawals or changes to the Death Benefit Option. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.

**Change in Death Benefit Option**—If the Policy has an Increasing Death Benefit Option, a request may be made to change this Policy to a Level Death Benefit Option. The Specified Amount after the change will be equal to the Specified Amount before the change plus the Policy Value on the date of the change. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of our receipt of the request to make the change.

If the Policy has a Level Death Benefit Option, a request may be made to change this Policy to an Increasing Death Benefit Option. The Specified Amount after the change will be equal to the Specified Amount before the change less the Policy Value on the date of the change. Any application for such increase will be attached to and made a part of the Policy. The effective date of the change will be the Monthly Anniversary that coincides with or next follows the date of our receipt of the request to make the change.

The Specified Amount after the change must be at least the Minimum Specified Amount as shown on Page 3. No more than one change in the Death Benefit option may be made in any policy year.

## 12. General Provisions

**The Contract**—This Policy, all applications and any supplemental riders or amendments constitute the entire contract when attached to the Policy. Only the President, a Vice President, the Secretary, the Chief Actuary, an Actuary or an Associate Actuary may, on our behalf, modify this Policy or waive any of its conditions. No agent is authorized to modify this contract or to make any promise as to the future payment of dividends or interest.

At any time we may make such changes in this Policy as are necessary (i) to assure compliance at all times with the definition of life insurance prescribed by federal income tax law, or (ii) to make the Policy conform with any law or regulation issued by any government agency to which it is subject. Any approved amendments will be mailed to you any time such a change occurs. Any such change may, however, be accepted in writing or rejected by you, by returning the amendment to us.

**Incontestability**—All statements made in any application for this Policy are representations and not warranties. No statement will void this Policy or be used to contest a claim under it unless the statement is contained in a written application. A copy of the written application is attached to this Policy.

This Policy will be incontestable after it has been in force during the life of the Insured for two years from the Date of Issue, except for fraud in the procurement of the policy, when permitted by applicable law. Any increase in the Specified Amount will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

This Policy will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement, except for fraud in the procurement of the reinstatement, when permitted by applicable law.

**Duration of Coverage**—The duration of coverage under this Policy will depend on the following:

- (a) the amount, timing and frequency of premium payments;
- (b) changes in the Specified Amount or benefits;
- (c) the interest rates credited;
- (d) the cost of insurance rates charged;
- (e) the expense charges;
- (f) satisfaction of the No-Lapse Guarantee Requirement;
- (g) surrenders; and
- (h) the amount and timing of any partial withdrawals or policy loans.

**Participation**—This Policy will participate in divisible surplus while it is in force except as stated in the Income Payment Options section. We will determine each year the share of such surplus, if any, to be apportioned to this Policy as a dividend. No divisible surplus is expected to be apportioned to this Policy in the foreseeable future. Any dividend will be credited to the Policy Value, unless you elect to have it paid in cash.

**Date of Issue**—The Date of Issue shown on Page 3 is the date your Policy is issued at our Home Office.

**Policy Date**—The Policy Date shown on Page 3 is the date from which policy years, months and anniversaries are determined.

**Monthly Anniversary**—The Monthly Anniversary is the day in each calendar month that is the same day of the month as the Policy Date.

**Age**—The age shown on Page 3 is the insurance age of the Insured. This is the age of the Insured on the birthday nearest the Policy Date. Attained age means the insurance age of the Insured increased by the number of whole years and months after the Policy Date.

**Misstatement of Age or Sex**—If the age or the sex of the Insured has been misstated, the Death Benefit under this Policy will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age and sex. No adjustment in the Policy Value will be made. Any date shown on Page 3 that is based on an incorrect age may be changed to be consistent with the correct age.

**Policy Payments**—All payments by us under this Policy are payable at the Home Office.

**Annual Report**—Each year you will be sent a report. The report shows current information as of a date not more than four months prior to the date of the mailing. The report will contain at least the following information:

- (a) The beginning and end dates of the current report period;
- (b) The policy value, if any, at the beginning of the current report period and at the end of the current report period;

- (c) The amounts that have been credited or debited to the account value during the current report period; for example, premium payments, interest credits, cost of insurance charges, expense charges, and withdrawal amounts;
- (d) The current death benefit at the end of the current report period;
- (e) The cash surrender value, if any, at the end of the current report period;
- (f) The amount of outstanding loans, if any, at the end of the current report period; and
- (g) If assuming guaranteed interest, mortality and expense charges, the cash surrender value will not keep the Policy in force until the end of the next reporting period unless further premiums are made, a notice to this effect will be included.

**Projection of Benefits and Values** - Upon request, we will provide a projection of illustrative future Death Benefits and Policy Values. The request for a projection must be made in writing by you. We may charge a fee for this service, after the first report per year is provided at no cost, not to exceed the maximum fee as shown on Page 3.

**Option to Extend Maturity Date**—Upon your written request, this Policy will continue in force beyond the Maturity Date as shown on Page 3. The Basic Death Benefit under the Policy will continue beyond the Maturity Date without evidence of insurability. The Basic Death Benefit and the Policy Value will continue to be calculated as defined in the Policy. The attained age Death Benefit Factors will be equal to 1.00. The Cost of Insurance Rates will be equal to zero. New partial withdrawals may not be made. New Policy Loans and loan repayments may be made. Policy Loans will continue to accrue interest and the Policy Loan Account will continue to operate as stated in the Policy Loans Section.

Premium payments will not be accepted unless necessary to prevent lapse. All riders and benefits attached to the Policy, except the Supplemental Term Insurance Rider, if applicable, terminate as of the original Maturity Date, as shown on Page 3.

The Policy may not qualify as life insurance under federal tax law after the Insured reaches the Maturity Date. The Policy may be subject to adverse tax consequences and a tax advisor should be consulted before you choose to continue the policy beyond the Maturity Date.

## 13. Income Payment Options

**Election of Income Payment Option**—An income payment option may be elected in place of a one sum payment of any amount payable upon the death of the Insured or upon surrender.

You may elect an income payment option or change a previous election while this Policy is in force before the death of the Insured. If no election is in effect at the time of the death of the Insured, the Beneficiary may elect an income payment option before any payment of the Death Benefit has been made and within one year of the date of death.

The amount applied under an income payment option must be at least the minimum amount shown as on Page 3. No election may provide for income payments that are each less than the minimum income payment as shown on Page 3.

**Option 1—Interest Income**—We will hold the amount applied at interest. Interest will be paid monthly, quarterly, semiannually or annually.

**Option 2— Income for a Fixed Period**—We will pay the amount applied, with interest, in equal monthly payments for a fixed period. The fixed period may not be greater than 30 years.

**Option 3— Income of a Specified Amount**—We will make payments of a specified amount until the total amount applied, with interest, has been paid. The payments may be made monthly, quarterly, semiannually or

annually. The final payment may be less than the specified amount. The total of the payments to be made each year must be at least the amount as shown on Page 3 for each \$1,000 applied.

**Option 4— Life Income**—We will pay equal monthly payments during the life of the option annuitant.

**Option 5— Life Income with Guaranteed Period**—We will pay equal monthly payments for a stated guaranteed period and thereafter during the life of the option annuitant. The guaranteed period may be 5 years, 10 years or 20 years.

**Option 6— Life Income with Refund Period**—We will pay equal monthly payments during the life of the option annuitant. If necessary, the payments will continue after the death of the option annuitant until the total of all payments made, including a smaller final payment, if required, equals the total amount applied.

**Option 7— Joint and Survivor Life Income**—We will pay equal monthly payments during the joint life of two option annuitants and thereafter during the life of the survivor.

**Income Amount—Participation**—The income under Options 1 and 2 will be based on interest at a rate of 1.5% per year compounded annually. The unpaid balance of the amount applied under Option 3 will be credited with interest at a rate of 1.5% per year compounded annually.

Options 1, 2 and 3 will participate in divisible surplus by the payment or crediting of additional interest in such amount, if any, as we determine each year. Additional interest will increase the income payments under Options 1 and 2. Additional interest will lengthen the period during which payments are made under Option 3.

The monthly income under Options 4, 5, 6 and 7 will equal 103% of the monthly income under a comparable single premium nonparticipating annuity we issued at the time that the income payments are to begin. In no event will the monthly income under these life income options be less than the income stated in the Income Payment Option Tables. Options 4, 5, 6 and 7 will not participate in divisible surplus.

**Income Period**—The income period under an option will begin on the date of death or surrender. Income payments under Options 1 and 3 will be made at the end of the payment interval. Income payments under Options 2, 4, 5, 6 and 7 will be made at the beginning of the payment interval.

**Option Annuitant**—Option annuitant means a natural person on whose life the income payments under Options 4, 5, 6 and 7 are based.

We may require proof of the age and of the continued life of an option annuitant. If the age or the sex of an option annuitant has been misstated, an appropriate adjustment will be made in the income payments.

**Withdrawal Privilege**—Unless the election states otherwise, the payee under an income payment option may:

- (a) before any income payment has been made, withdraw the amount applied under the option; or
- (b) withdraw the present value of the income payments to become due during any fixed, guaranteed or refund period; or
- (c) withdraw the balance held under Option 1 or 3 plus any accrued interest.

There will be no right to withdraw the present value of the income payments falling due after the guaranteed or refund period under Options 5 and 6. There will be no right to withdraw the present value of any income payments under Options 4 and 7.

We may defer the payment of the amount withdrawn for up to six months from the date of a withdrawal request.

**Present Value**—The present value of the income payments under Option 2 will be based on interest at a rate of 1.5% per year compounded annually. The present value of the remaining income payments during a guaranteed or refund period under a life income option will be based on interest at a rate we set at the time income payments are to begin.

**Death of Payee**—Upon the death of the payee under an income payment option, we will pay the following to the payee's executors or administrators unless stated otherwise in an election to which we consented:

- (a) the balance of the amount held under Option 1 or 3 plus any accrued interest; or
- (b) the present value of the income payments to become due during the fixed period under Option 2; or
- (c) if the option annuitant under Option 5 or 6 has died, the present value of the income payments, if any, to become due during the guaranteed or refund period; or
- (d) if any option annuitant under Option 4, 5, 6 or 7 is living, any income payments as they become due during the option annuitant's life plus, upon the death of the option annuitant under Option 5 or 6, the present value of the income payments, if any, to become due during the guaranteed or refund period.

**Assignment – Creditors**—The amount applied under an income payment option and the payments under the option may not be assigned and, to the extent permitted by law, will not be available to anyone who has a claim against the payee.

## 14. Income Payment Option Table

The following tables show the amount of the first monthly income payment for each \$1,000 of value applied under an annuity option. "Age" as used in the tables for Options 4, 5, 6, and 7 means an adjusted age determined in the following manner from the actual age of the Annuitant on the birthday nearest the date of the first payment:

Date of First Payment  
Before calendar year 2010  
2010-2019  
2020-2029  
2030 and later

Adjusted Age  
Actual Age  
Actual age decreased by 1  
Actual age decreased by 2  
Actual age decreased by 3

### Option 1 - Interest Income

### Option 2 - Income for Fixed Period of Years

Payment Interval	Amount	Years	Monthly Income	Years	Monthly Income	Years	Monthly Income
Annually	\$15.00	1	\$83.90	11	\$8.21	21	\$4.62
		2	42.26	12	7.58	22	4.44
Semi-Annually	7.47	3	28.39	13	7.05	23	4.28
		4	21.45	14	6.59	24	4.13
Quarterly	3.73	5	17.28	15	6.20	25	3.99
		6	14.51	16	5.85	26	3.86
Monthly	1.24	7	12.53	17	5.55	27	3.75
		8	11.04	18	5.27	28	3.64
		9	9.89	19	5.03	29	3.54
		10	8.96	20	4.81	30	3.44

## Options 4, 5 and 6 - Monthly Life Income

The amount of income will be based on the age of the option annuitant on the birthday nearest the date of the first payment.

Age of Option Annui- tant	Option 4			Option 5						Option 6		Age of Option Annui- tant	Option 4			Option 5						Option 6	
	Life Income		20 Year Guaranteed Period	10 Year Guaranteed Period		5 Year Guaranteed Period		with Refund Period	Male	Female	Life Income		20 Year Guaranteed Period	10 Year Guaranteed Period		5 Year Guaranteed Period		with Refund Period	Male	Female			
15	\$1.99	\$1.92	\$1.96	\$1.89	\$1.97	\$1.90	\$1.98	\$1.91	\$1.95	\$1.88	65	4.85	4.37	4.14	3.96	4.69	4.28	4.81	4.35	4.06	3.92		
16	2.01	1.94	1.98	1.91	1.99	1.92	2.00	1.93	1.97	1.90	66	5.02	4.51	4.21	4.04	4.83	4.41	4.98	4.49	4.20	4.01		
17	2.03	1.95	2.00	1.92	2.01	1.93	2.02	1.94	1.99	1.91	67	5.20	4.66	4.27	4.11	4.98	4.55	5.15	4.64	4.35	4.04		
18	2.05	1.97	2.02	1.94	2.03	1.95	2.04	1.96	2.01	1.93	68	5.39	4.83	4.33	4.18	5.13	4.69	5.33	4.80	4.52	4.24		
19	2.07	1.99	2.04	1.96	2.05	1.97	2.06	1.98	2.03	1.95	69	5.60	5.00	4.39	4.26	5.29	4.84	5.53	4.97	4.59	4.25		
20	2.09	2.01	2.06	1.98	2.07	1.99	2.08	2.00	2.05	1.97	70	5.82	5.19	4.44	4.32	5.45	5.00	5.73	5.15	4.67	4.49		
21	2.11	2.02	2.08	1.99	2.09	2.00	2.10	2.01	2.07	1.98	71	6.05	5.39	4.49	4.39	5.62	5.17	5.95	5.34	4.75	4.58		
22	2.13	2.04	2.10	2.01	2.11	2.02	2.12	2.03	2.09	2.00	72	6.30	5.61	4.54	4.45	5.79	5.34	6.17	5.55	5.05	4.77		
23	2.15	2.06	2.12	2.03	2.13	2.04	2.14	2.05	2.11	2.02	73	6.57	5.85	4.58	4.50	5.96	5.52	6.42	5.78	5.13	4.85		
24	2.17	2.08	2.14	2.05	2.15	2.06	2.16	2.07	2.13	2.04	74	6.85	6.11	4.62	4.55	6.14	5.71	6.67	6.02	5.34	5.06		
25	2.20	2.10	2.17	2.07	2.18	2.08	2.19	2.09	2.16	2.06	75	7.15	6.39	4.65	4.60	6.32	5.91	6.94	6.28	5.45	5.15		
26	2.22	2.13	2.19	2.10	2.20	2.11	2.21	2.12	2.18	2.09	76	7.47	6.69	4.68	4.64	6.51	6.11	7.22	6.55	5.63	5.28		
27	2.25	2.15	2.22	2.12	2.23	2.13	2.24	2.14	2.21	2.11	77	7.82	7.01	4.71	4.67	6.69	6.31	7.52	6.84	5.81	5.48		
28	2.27	2.17	2.24	2.14	2.25	2.15	2.26	2.16	2.22	2.13	78	8.19	7.36	4.73	4.70	6.87	6.52	7.83	7.16	5.94	5.76		
29	2.30	2.19	2.27	2.16	2.28	2.17	2.29	2.18	2.26	2.15	79	8.59	7.74	4.75	4.72	7.05	6.73	8.15	7.49	6.22	5.86		
30	2.33	2.22	2.30	2.19	2.31	2.20	2.32	2.21	2.27	2.18	80	9.01	8.16	4.76	4.75	7.22	6.93	8.49	7.84	6.25	6.05		
31	2.36	2.24	2.33	2.21	2.34	2.22	2.35	2.23	2.29	2.20	81	9.47	8.60	4.78	4.76	7.39	7.13	8.84	8.21	6.69	6.16		
32	2.39	2.27	2.36	2.24	2.37	2.25	2.38	2.26	2.35	2.22	82	9.95	9.09	4.79	4.78	7.56	7.33	9.21	8.60	6.77	6.67		
33	2.42	2.30	2.39	2.27	2.40	2.28	2.41	2.29	2.38	2.26	83	10.47	9.61	4.79	4.79	7.71	7.52	9.58	9.01	7.13	6.77		
34	2.46	2.33	2.43	2.30	2.44	2.31	2.45	2.32	2.40	2.27	84	11.02	10.18	4.80	4.80	7.86	7.69	9.97	9.44	7.32	7.10		
35	2.49	2.36	2.46	2.33	2.47	2.34	2.48	2.35	2.44	2.32	85	11.61	10.79	4.81	4.80	8.00	7.86	10.36	9.87	7.45	7.33		
36	2.53	2.39	2.50	2.36	2.51	2.37	2.52	2.38	2.45	2.35	86	12.24	11.45	4.81	4.81	8.13	8.01	10.76	10.32	7.80	7.53		
37	2.56	2.42	2.53	2.39	2.54	2.40	2.55	2.41	2.49	2.36	87	12.91	12.16	4.81	4.81	8.24	8.15	11.17	10.77	7.91	7.98		
38	2.60	2.46	2.57	2.43	2.58	2.44	2.59	2.45	2.50	2.42	88	13.61	12.91	4.81	4.81	8.35	8.27	11.57	11.22	8.47	8.08		
39	2.65	2.49	2.62	2.46	2.63	2.47	2.64	2.48	2.57	2.45	89	14.37	13.71	4.81	4.81	8.45	8.38	11.97	11.66	8.65	8.40		
40	2.69	2.53	2.66	2.50	2.67	2.51	2.68	2.52	2.60	2.48	90	15.17	14.55	4.81	4.81	8.54	8.48	12.37	12.09	8.77	8.69		
41	2.73	2.57	2.70	2.54	2.71	2.55	2.72	2.56	2.65	2.52	91	16.01	15.43	4.81	4.81	8.61	8.56	12.77	12.51	9.60	9.02		
42	2.78	2.61	2.74	2.58	2.76	2.59	2.77	2.60	2.66	2.54	92	16.91	16.34	4.81	4.81	8.68	8.64	13.15	12.92	9.75	9.42		
43	2.83	2.65	2.79	2.62	2.81	2.63	2.82	2.64	2.72	2.55	93	17.86	17.29	4.81	4.81	8.74	8.71	13.53	13.31	9.82	9.73		
44	2.88	2.69	2.83	2.66	2.86	2.67	2.87	2.68	2.76	2.61	94	18.87	18.29	4.81	4.81	8.80	8.76	13.91	13.69	10.90	10.21		
45	2.94	2.74	2.88	2.71	2.92	2.72	2.93	2.73	2.79	2.62	95	19.96	19.32	4.81	4.81	8.84	8.81	14.28	14.05	11.21	10.50		
46	2.99	2.79	2.93	2.76	2.97	2.77	2.98	2.78	2.80	2.68	96	21.13	20.42	4.81	4.81	8.88	8.85	14.64	14.41	11.65	10.92		
47	3.05	2.84	2.98	2.80	3.03	2.82	3.04	2.83	2.88	2.70	97	22.41	21.60	4.81	4.81	8.90	8.89	14.99	14.76	12.14	11.37		
48	3.11	2.89	3.03	2.85	3.09	2.87	3.10	2.88	2.90	2.76	98	23.84	22.89	4.81	4.81	8.93	8.91	15.34	15.11	12.55	11.76		
49	3.18	3.09	3.09	2.92	3.16	2.92	3.17	2.93	2.97	2.79	99	25.44	24.35	4.81	4.81	8.94	8.93	15.67	15.45	13.12	12.29		
50	3.24	3.00	3.14	2.95	3.22	2.98	3.23	2.99	3.05	2.85	100	27.27	26.01	4.81	4.81	8.95	8.95	15.99	15.79	13.75	12.88		
51	3.31	3.06	3.20	3.00	3.29	3.04	3.30	3.05	3.06	2.94	101	29.36	27.93	4.81	4.81	8.96	8.96	16.27	16.10	14.43	13.51		
52	3.39	3.13	3.26	3.06	3.36	3.11	3.38	3.12	3.16	2.95	102	31.77	30.15	4.81	4.81	8.96	8.96	16.53	16.38	15.01	14.06		
53	3.47	3.19	3.32	3.12	3.44	3.17	3.46	3.18	3.17	2.99	103	34.57	32.76	4.81	4.81	8.96	8.96	16.75	16.64	15.85	14.85		
54	3.55	3.26	3.39	3.18	3.51	3.24	3.54	3.25	3.28	3.05	104	37.82	35.81	4.81	4.81	8.96	8.96	16.93	16.84	16.79	15.72		
55	3.63	3.34	3.45	3.24	3.60	\$3.32	3.62	3.33	3.29	3.10	105	41.60	39.41	4.81	4.81	8.96	8.96	17.06	17.01	16.92	15.89		
56	3.73	3.41	3.52	3.30	3.68	3.39	3.72	3.40	3.35	3.17	106	46.03	43.66	4.81	4.81	8.96	8.96	17.16	17.13	17.02	16.01		
57	3.82	3.50	3.58	3.37	3.77	3.47	3.81	3.49	3.41	3.29	107	51.23	48.69	4.81	4.81	8.96	8.96	17.22	17.21	17.08	16.09		
58	3.92	3.58	3.65	3.44	3.87	3.56	3.91	3.57	3.49	3.30	108	57.34	54.67	4.81	4.81	8.96	8.96	17.26	17.25	17.12	16.13		
59	4.03	3.68	3.72	3.51	3.97	3.64	4.02	3.67	3.55	3.43	109	64.58	61.81	4.81	4.81	8.96	8.96	17.28	17.27	17.14	16.15		
60	4.15	3.78	3.79	3.58	4.07	3.74	4.13	3.77	3.64	3.45	110	73.20	70.40	4.81	4.81	8.96	8.96	17.28	17.28	17.16	16.16		
61	4.27	3.88	3.86	3.65	4.19	3.83	4.25	3.87	3.71	3.51													
62	4.40	3.99	3.93	3.73	4.30	3.94	4.38	3.98	3.81	3.62													
63	4.54	4.11	4.00	3.81	4.42	4.05	4.52	4.09	3.88	3.67													
64	4.69	4.23	4.07	3.88	4.55	4.16	4.66	4.22	3.96	3.80													

## Option 7 - Joint and Survivor Monthly Life Income

The amount of income will be based on the ages of the option annuitants on their respective birthdays nearest the date of the first payment. The table shows income for certain ages for one male and one female option annuitant. The amount is shown under the age of the male and opposite the age of the female. Amounts of income for other combinations of ages or for option annuitants of the same sex will be furnished upon request.

Age of Female Option Annuitant	Age of Male Option Annuitant												
	50	55	60	65	70	75	80	85	90	95	100	105	110
50	\$2.72	\$2.80	\$2.87	\$2.92	\$2.95	\$2.97	\$2.98	\$2.99	\$3.00	\$3.00	\$3.00	\$3.00	\$3.00
55	2.85	2.98	3.09	3.18	3.24	3.28	3.30	3.32	3.33	3.33	3.33	3.34	3.34
60	2.96	3.15	3.32	3.47	3.58	3.66	3.71	3.74	3.75	3.76	3.77	3.77	3.77
65	3.05	3.29	3.54	3.77	3.97	4.12	4.22	4.28	4.32	4.35	4.35	4.36	4.37
70	3.12	3.41	3.73	4.07	4.39	4.66	4.86	5.00	5.08	5.13	5.16	5.18	5.19
75	3.17	3.50	3.89	4.33	4.80	5.25	5.64	5.92	6.12	6.24	6.31	6.36	6.38
80	3.20	3.56	4.00	4.53	5.16	5.83	6.48	7.04	7.46	7.75	7.95	8.07	8.14
85	3.22	3.59	4.06	4.67	5.43	6.31	7.28	8.24	9.06	9.70	10.19	10.54	10.72
90	3.23	3.61	4.10	4.75	5.60	6.65	7.92	9.31	10.68	11.89	12.95	13.82	14.34
95	3.24	3.62	4.12	4.80	5.69	6.86	8.35	10.12	12.03	13.93	15.80	17.56	18.77
100	3.24	3.63	4.14	4.82	5.75	7.00	8.64	10.73	13.20	15.88	18.87	22.12	24.70
105	3.24	3.63	4.14	4.84	5.79	7.09	8.86	11.22	14.23	17.86	22.51	28.80	35.26
110	3.24	3.63	4.15	4.85	5.81	7.13	8.97	11.50	14.89	19.30	25.93	36.41	52.85



# Additional Policy Specifications

## One Year Point to Point S&P Global BMI Indexed Account

**Summary** – This section describes the interest crediting methodology for the Segments of the One Year Point to Point S&P Global BMI Indexed Account.

**Index** – The external Index used in the calculations below is the S&P Global BMI (Broad Market Index). References to the S&P Global BMI mean the Standard and Poor's Global Broad Market Index (excluding dividends), comprised of the S&P Developed BMI and S&P Emerging BMI. It is a comprehensive, rules-based index measuring global stock market performance.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the One Year Point to Point S&P Global BMI Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P Global BMI during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 3%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

## **One Year Point to Point S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the One Year Point to Point S&P 500 Indexed Account.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the One Year Point to Point S&P 500 Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P 500 Index during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 4%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

## **Five Year and One Year Blend S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the Five Year and One Year Blend S&P 500 Indexed Account. This Indexed Account provides Index Credits based on Index Performance for Five Year (5Y) Segments and One Year (1Y) Segments.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

### **One Year (1Y) Segment:**

**1Y Index Credits** - Amounts held in the Five Year and One Year Blend S&P 500 Indexed Account earn 1Y Index Credits on the 1Y Segment Maturity Date based on 1Y Index Performance. The 1Y Index Performance equals the growth in the S&P 500 Index during the 1Y Segment multiplied by the 1Y Participation Percentage, with a floor at the 1Y Segment Minimum Interest Rate and a ceiling at the 1Y Cap Percentage.

At the 1Y Segment Maturity Date, the 1Y Index Credit is calculated. The 1Y Index Credit equals the total amount of 1Y segment minimum interest credited to the segment for the just completed 1Y Segment Duration, multiplied by the ratio of the 1Y Index Performance over the 1Y Segment Minimum Interest Rate, subtracting one from the ratio.

**1Y Participation Percentage** – The 1Y Participation Percentage is the percentage of the 1Y Index Performance that will be used to calculate the 1Y Index Credit, if any. The 1Y Participation Percentage is guaranteed not to be below 100%. A new 1Y Participation Percentage will apply to each new 1Y Segment created and will not change for the duration of that segment.

**1Y Cap Percentage** – The 1Y Cap Percentage is the maximum percentage of the 1Y Index Performance that will be used to calculate the 1Y Index Credit, if any. The 1Y Cap Percentage is guaranteed not to be below 3%. A new 1Y Cap Percentage will apply to each new 1Y Segment created and will not change for the duration of that segment.

**1Y Segment Minimum Interest Rate** – The 1Y Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the 1Y Segment Duration as well as the 1Y Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**1Y Segment Date** - The 1Y Segment Date is the date a 1Y Segment is created. 1Y Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**1Y Segment Duration** - The 1Y Segment Duration is one year.

**1Y Segment Maturity Date** - The 1Y Segment Maturity Date is the date each 1Y Segment matures, which is at the end of a 1Y Segment Duration. Transfers out of this Indexed Account are not permitted on the 1Y Segment Maturity Date. Transfers out of this Indexed Account may only be made on 5Y Segment Maturity Dates.

**Five Year (5Y) Segment:**

**5Y Index Credits** - Amounts held in the Five Year and One Year Blend S&P 500 Indexed Account earn 5Y Index Credits on the 5Y Segment Maturity Date based on 5Y Index Performance. The 5Y Index Performance equals the growth in the S&P 500 Index during the 5Y Segment multiplied by the 5Y Participation Percentage, with a floor at the Compounded 1Y Segment Returns and a ceiling at the 5Y Cap Percentage.

At the 5Y Segment Maturity Date, the 5Y Index Credit is calculated. The 5Y Index Credit equals the total amount of 1Y segment minimum interest and 1Y Index Credits credited to the 5Y Segment for the just completed 5Y Segment Duration multiplied by the ratio of the 5Y Index Performance over the Compounded 1Y Segment Return, subtracting one from the ratio.

**5Y Participation Percentage** – The 5Y Participation Percentage is the percentage of the 5Y Index Performance that will be used to calculate the 5Y Index Credit, if any. The 5Y Participation Percentage is guaranteed not to be below 100%. A new 5Y Participation Percentage will apply to each new 5Y Segment created and will not change for the duration of that segment.

**5Y Cap Percentage** – The 5Y Cap Percentage is the maximum percentage of the 5Y Index Performance that will be used to calculate the 5Y Index Credit, if any. The 5Y Cap Percentage is guaranteed not to be below 15%. A new 5Y Cap Percentage will apply to each new 5Y Segment created and will not change for the duration of that segment.

**Compounded 1Y Segment Return** – The Compounded 1Y Segment Return will be used to calculate the 5Y Index Credit, if any. It also acts as a floor on the 5Y Index Performance. The Compounded 1Y Segment Return is equal to (a) multiplied by (b) multiplied by (c) multiplied by (d) multiplied by (e) where:

- (a) equals the 1Y Index Performance for the first year of the 5Y Segment plus 1
- (b) equals the 1Y Index Performance for the second year of the 5Y Segment plus 1
- (c) equals the 1Y Index Performance for the third year of the 5Y Segment plus 1
- (d) equals the 1Y Index Performance for the fourth year of the 5Y Segment plus 1
- (e) equals the 1Y Index Performance for the fifth year of the 5Y Segment plus 1

**5Y Segment Date** - The 5Y Segment Date is the date a 5Y Segment is created. 5Y Segments can only be created on monthly policy anniversary dates. No new 5Y Segments can be created less than five years prior to maturity.

**5Y Segment Duration** - The 5Y Segment Duration is five years.

**5Y Segment Maturity Date** – The 5Y Segment Maturity Date is the date each 5Y Segment matures, which is at the end of a 5Y Segment Duration. Transfers out of this Indexed Account may only be made on 5Y Segment Maturity Dates.

## **High Participation One Year Point to Point S&P 500 Indexed Account**

**Summary** – This section describes the interest crediting methodology for the Segments of the High Participation One Year Point to Point S&P 500 Indexed Account.

**Index** – The external Index used in the calculations below is the S&P 500. References to the S&P 500 Index mean the Standard and Poor's 500 Composite Stock Price Index (excluding dividends). It is the index of the stock of 500 publicly traded companies.

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**Change or Discontinuance of an Index** - If the Index substantially changes the manner in which it is calculated we may adjust the formula that is used when determining the Index Credit, if any, to be consistent with the original calculation methodology. If the publication of the Index is discontinued, or if in our sole discretion we determine that the Index should no longer be used, a similar Index may be substituted subject to approval of the insurance supervisory official of the jurisdiction in which the Policy is issued. You will be notified of any change of Index.

**Index Credits** - Amounts held in the High Participation One Year Point to Point S&P 500 Indexed Account earn Index Credits on the Segment Maturity Date based on Index Performance. The Index Performance equals the growth in the S&P 500 Index during the Segment multiplied by the Participation Percentage, with a floor at the Segment Minimum Interest Rate and a ceiling at the Cap Percentage.

At the Segment Maturity date, the Index Credit is calculated. The Index Credit equals the total amount of segment minimum interest credited to the segment for the just completed Segment Duration, multiplied by the ratio of the Index Performance over the Segment Minimum Interest Rate, subtracting one from the ratio.

**Participation Percentage** – The Participation Percentage is the percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Participation Percentage is guaranteed not to be below 100%. A new Participation Percentage will apply to each new segment created and will not change for the duration of that segment.

**Cap Percentage** – The Cap Percentage is the maximum percentage of the Index Performance that will be used to calculate the Index Credit, if any. The Cap Percentage is guaranteed not to be below 3%. A new Cap Percentage will apply to each new segment created and will not change for the duration of that segment.

**Segment Minimum Interest Rate** – The Segment Minimum Interest Rate will be used to calculate the monthly credited interest during the Segment Duration as well as the Index Credit, if any. The guaranteed Segment Minimum Interest Rate is an effective annual rate of 1%.

**Segment Date** - The Segment Date is the date a Segment is created. Segments can only be created on monthly policy anniversary dates. No new segments can be created less than one year prior to maturity.

**Segment Duration** - The Segment Duration is one year.

**Segment Maturity Date** - The Segment Maturity Date is the date each Segment matures, which is at the end of a Segment Duration.

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

Issue Age	Base Policy	Supplemental Term Insurance	Waiver of Surrender Charges
35	0.422	0.572	0.240
36	0.428	0.578	0.246
37	0.434	0.584	0.252
38	0.439	0.590	0.258
39	0.445	0.596	0.264
40	0.451	0.602	0.270
41	0.457	0.608	0.280
42	0.463	0.614	0.290
43	0.468	0.620	0.300
44	0.474	0.626	0.310
45	0.480	0.630	0.320
46	0.489	0.639	0.325
47	0.497	0.648	0.330
48	0.506	0.657	0.335
49	0.515	0.666	0.340
50	0.524	0.675	0.345
51	0.532	0.684	0.350
52	0.541	0.693	0.355
53	0.550	0.702	0.360
54	0.558	0.711	0.365
55	0.567	0.717	0.370
56	0.592	0.742	0.380
57	0.617	0.767	0.390
58	0.641	0.792	0.400
59	0.666	0.817	0.410
60	0.691	0.842	0.420
61	0.716	0.867	0.430
62	0.741	0.892	0.440
63	0.765	0.917	0.450
64	0.790	0.942	0.460
65	0.815	0.965	0.470
66	0.835	0.985	0.480
67	0.856	1.005	0.490
68	0.876	1.025	0.500
69	0.897	1.045	0.510
70	0.917	1.065	0.520
71	0.937	1.085	
72	0.956	1.105	
73	0.978	1.125	
74	0.999	1.145	

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Expense Charges per \$1,000 of Specified Amount

Issue Age	Base Policy	Supplemental Term Insurance	Waiver of Surrender Charges
75	1.019	1.169	
76	1.084	1.234	
77	1.150	1.299	
78	1.215	1.364	
79	1.281	1.429	
80	1.346	1.494	
81	1.411	1.559	
82	1.477	1.624	
83	1.542	1.689	
84	1.608	1.754	
85	1.673	1.823	

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount



# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
35	0.0908	0.0908	0.0233	0.1375
36	0.0958	0.0958	0.0242	0.1375
37	0.1000	0.1000	0.0258	0.1375
38	0.1075	0.1075	0.0283	0.1375
39	0.1142	0.1142	0.0300	0.1375
40	0.1217	0.1217	0.0325	
41	0.1317	0.1317	0.0358	
42	0.1441	0.1441	0.0392	
43	0.1584	0.1584	0.0425	
44	0.1750	0.1750	0.0467	
45	0.1942	0.1942	0.0508	
46	0.2125	0.2125	0.0567	
47	0.2328	0.2328	0.0642	
48	0.2442	0.2442	0.0742	
49	0.2576	0.2576	0.0850	
50	0.2767	0.2767	0.0992	
51	0.2993	0.2993	0.1167	
52	0.3301	0.3301	0.1392	
53	0.3635	0.3635	0.1683	
54	0.4060	0.4060	0.2042	
55	0.4585	0.4585	0.2467	
56	0.5119	0.5119	0.3092	
57	0.5695	0.2695	0.3842	
58	0.6187	0.6187	0.4717	
59	0.6755	0.6755	0.5750	
60	0.7439	0.7439	0.1483	
61	0.8274	0.8274	0.1483	
62	0.9292	0.9292	0.1483	
63	1.0436	1.0436	0.1483	
64	1.1639	1.1639	0.1483	
65	1.2908	1.2908		
66	1.4195	1.4195		
67	1.5499	1.5499		
68	1.6904	1.6904		
69	1.8359	1.8359		
70	2.0124	2.0124		
71	2.2099	2.2099		
72	2.4694	2.4694		
73	2.7433	2.7433		
74	3.0317	3.0317		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
75	3.3470	3.3470		
76	3.6911	3.6911		
77	4.0908	4.0908		
78	4.5582	4.5582		
79	5.0984	5.0984		
80	5.6880	5.6680		
81	6.3602	6.3602		
82	7.0612	7.0612		
83	7.8181	7.8181		
84	8.6576	8.6576		
85	6.5971	6.5971		
86	10.6404	10.6404		
87	11.7822	11.7822		
88	13.0087	13.0087		
89	14.3059	14.3059		
90	15.6632	15.6632		
91	16.9431	19.9431		
92	18.2807	18.2807		
93	19.6954	19.6954		
94	21.1940	21.1940		
95	22.7729	22.7729		
96	24.2220	24.2220		
97	25.7717	25.7717		
98	27.4307	27.4307		
99	29.2072	29.2072		
100	31.1139	31.1139		
101	32.3620	32.3620		
102	34.2545	34.2545		
103	35.9867	35.9867		
104	37.8360	37.8360		
105	39.7830	39.7830		
106	41.8611	41.8611		
107	44.0793	44.0793		
108	46.4474	46.4474		
109	48.9749	48.9749		
110	51.6712	51.6712		
111	54.5501	54.5501		
112	57.6228	57.6228		
113	60.9057	60.9057		
114	64.4101	64.4101		
115	68.1545	68.1545		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Base Policy	Supplemental Term Insurance	Disability Waiver of Monthly Deductions	Guaranteed Increase Option
116	72.1551	72.1551		
117	76.4311	76.4311		
118	81.0051	81.0051		
119	83.3333	83.3333		
120	83.3333	83.3333		

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
35	0.0567	0.0908
36	0.0567	0.0958
37	0.0567	0.1000
38	0.0567	0.1075
39	0.0567	0.1142
40	0.0567	0.1217
41	0.0567	0.1317
42	0.0567	0.1442
43	0.0575	0.1584
44	0.0583	0.1750
45	0.0592	0.1942
46	0.0592	0.2125
47	0.0600	0.2326
48	0.0608	0.2442
49	0.0617	0.2576
50	0.0617	0.2767
51	0.0625	0.2993
52	0.0633	0.3301
53	0.0642	0.3635
54	0.0650	0.4060
55	0.0667	0.4585
56	0.0683	0.5119
57	0.0692	0.5695
58	0.0717	0.6187
59	0.0733	0.6755
60	0.0758	0.7439
61	0.0783	0.8274
62	0.0817	0.9292
63	0.0850	1.0436
64	0.0892	1.1639
65	0.0925	1.2908
66	0.0967	1.4195
67	0.1017	1.5499
68	0.1058	1.6904
69	0.1108	1.8359
70		2.0124
71		2.2099
72		2.4694
73		2.7433

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
74		3.0317
75		3.3470
76		3.6911
77		4.0908
78		4.5582
79		5.0984
80		5.6880
81		6.3602
82		7.0612
83		7.8181
84		8.6576
85		9.5971
86		10.6404
87		11.7822
88		13.0087
89		14.3059
90		15.6632
91		16.9431
92		18.2807
93		19.6954
94		21.1940
95		22.7729
96		24.2220
97		25.7717
98		27.4307
99		29.2072
100		31.1139
101		32.6320
102		34.2545
103		35.9867
104		37.8360
105		39.7830
106		41.8611
107		44.0793
108		46.4474
109		48.9749
110		51.6712
111		54.5501
112		57.6228
113		60.9057
114		64.4101

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Accidental Death Benefit	Return of Premium
115		68.1545
116		72.1551
117		76.4311
118		81.0051
119		83.3333
120		83.3333

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Additional Insured Term Insurance	Additional Insured Term Insurance (for the Waiver of Monthly Deductions)
35	0.0742	0.0108
36	0.0792	0.0108
37	0.0858	0.0108
38	0.0892	0.0117
39	0.0942	0.0125
40	0.1000	0.0125
41	0.1058	0.0133
42	0.1125	0.0142
43	0.1208	0.0158
44	0.1309	0.0167
45	0.1425	0.0183
46	0.1559	0.0200
47	0.1725	0.0225
48	0.1909	0.0250
49	0.2109	0.0292
50	0.2342	0.0333
51	0.2601	0.0392
52	0.2893	0.0467
53	0.3209	0.0567
54	0.3543	0.0683
55	0.3902	0.0833
56	0.4319	0.1008
57	0.4752	0.1208
58	0.5219	0.1425
59	0.5687	0.1675
60	0.6170	0.1075
61	0.6696	0.1183
62	0.7272	0.1300
63	0.7865	0.1358
64	0.8507	0.1492
65	0.9217	0.1608
66	1.0002	0.1625
67	1.0862	0.1617
68	1.1822	0.1308
69	1.2875	0.0733
70	1.4036	0.1075

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

Table of Guaranteed Maximum Monthly Cost of Insurance Rates per \$1,000

Attained Age	Additional Insured Term Insurance	Additional Insured Term Insurance (for the Waiver of Monthly Deductions)
71	1.5374	0.1183
72	1.6870	0.1300
73	1.8492	0.1358
74	2.0274	0.1492
75	2.2249	0.1608
76	2.4418	0.1625
77	2.6805	0.1617
78	2.9445	0.1308
79	3.2296	0.0733

Policy Number 88888888  
William Penn  
Age 35 Standard Non-Tobacco  
\$100,000 Specified Amount



# Additional Policy Specifications

## Table of Death Benefit Factors

Attained Age	Factor
0-40	2.50
41	2.43
42	2.36
43	2.29
44	2.22
45	2.15
46	2.09
47	2.03
48	1.97
49	1.91
50	1.85
51	1.78
52	1.71
53	1.64
54	1.57
55	1.50
56	1.46
57	1.42
58	1.38
59	1.34
60	1.30
61	1.28
62	1.26
63	1.24
64	1.22
65	1.20
66	1.19
67	1.18
68	1.17
69	1.16
70	1.15

Policy Number 88888888  
Product Filing Name  
William Penn  
Age 35 Non-Tobacco  
\$100,000 Specified Amount

# Additional Policy Specifications

## Table of Death Benefit Factors

Attained Age	Factor
71	1.13
72	1.11
73	1.09
74	1.07
75-90	1.05
91	1.04
92	1.03
93	1.02
94-95	1.01
96-120	1.001

Policy Number 88888888  
Product Filing Name  
William Penn  
Age 35 Non-Tobacco  
\$100,000 Specified Amount

To obtain any of the benefits under this policy, write to the Company at its Home Office or to its nearest agent.

Please notify the Company promptly of any change in address.

**ANNUAL ELECTION** — Penn Mutual is a mutual life insurance company. It has no stockholders. The Owner of this policy is a member of Penn Mutual while this policy is in force during the life of the Insured and before surrender of this policy. Members have the right to vote in person or by proxy at the annual election of Trustees held at the Home Office, on the first Tuesday of March. If more information is desired, it may be obtained from the Secretary.

### **Flexible Premium Adjustable Indexed Life Insurance Policy**

- Death Benefit payable at death prior to Maturity Date
- Maturity Benefit Payable at Maturity Date
- Flexible premiums payable until Maturity Date
- Indexed Account Feature
- Participating
- Supplemental benefits, if any, listed on Page 3

# Rider - Children's Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this supplemental rider, to provide the Children's Term Insurance Benefit. The amount of the Children's Term Insurance Benefit is the Specified Amount for the Children's Term Insurance Rider as shown in the Schedule of Benefits on Page 3. We also agree to provide all of the other benefits which are stated in this rider.

This supplemental rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Children's Term Insurance Benefit** - We will pay, upon receipt of due proof of the death of an Insured Child while this rider is in force, a death benefit in an amount equal to the Specified Amount of this rider. The death benefit will be paid to the beneficiary of such benefit in one sum or, if elected, under an income payment option. We will pay interest on this sum from the date of death to the date of payment. We will determine the interest rate each year, but it will not be less than the interest rate used in the base policy per year compounded annually.

There are no cash values or loan values associated with this rider.

**Suicide Exclusion** - If an Insured Child dies by suicide, while sane or insane, within two years from the effective date of that child's coverage under this rider, the death benefit with respect to such death will be limited to the premiums paid for this rider for the period that such coverage was in effect.

If an Insured Child dies by suicide, while sane or insane, within two years from the effective date of an increase in the Specified Amount under this rider, the death benefit with respect to that increase will be limited to the premiums paid for that increase.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any reinstatement, the death benefit will be limited to the premiums paid for this rider since the date of reinstatement

**Insured Child** - Insured Child means a natural child, a stepchild or a legally adopted child of the Insured who is at least 15 days and not more than 23 years of age and who:

- (a) is named in the application for this rider and who, on the date of the application, is less than 18 years of age; or
- (b) is born to the Insured after the date of the application for this rider; or
- (c) after the date of the application for this rider and prior to attaining the age of 18 years, is legally adopted by the Insured.

**Child's Beneficiary** - The beneficiary of each Insured Child under this rider is the Insured, if living. Otherwise, the beneficiary is the Insured's executors or administrators unless otherwise provided.

**Conversion of Insurance on Insured Child** - On the anniversary of this policy nearest an Insured Child's 23rd birthday, the term insurance then in force under this rider on the life of such Insured Child may be converted without evidence of insurability to a new policy. You must make a written request for the conversion. The first premium for the new policy must be paid on or before the date of conversion.

The new policy will be:

- (a) for an amount not exceeding five times the Specified Amount under this rider;
- (b) on a plan which insures only the life of the Insured Child;
- (c) incontestable from its date of issue;
- (d) on the policy form and at the premium rates we use on the date of the conversion; and
- (e) subject to our rules as to minimum amount, plan of insurance and age at issue which are in effect on the date of conversion.

The inclusion of any supplemental agreements or riders in the new policy will be subject to our consent and must comply with our rules.

**Death of Insured** - If the death of the Insured under this policy occurs while this rider is in force, the term insurance on each Insured Child covered by this rider will continue in force until the anniversary of this policy nearest the Insured Child's 23rd birthday. The premiums for such term insurance will be waived.

**Incontestability** - An Insured Child's coverage under this rider will be incontestable after it has been in force during the life of such Insured Child for two years from the effective date of such coverage, except for fraud in the procurement of the rider, when permitted by applicable law.

This rider will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of an Insured Child for two years from the effective date of the reinstatement, except for fraud in the procurement of the reinstatement, when permitted by applicable law.

**Monthly Deduction** - While this rider is in force, the Monthly Deduction under this policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is a monthly expense charge. The guaranteed monthly expense charge as shown on Page 3 is for each \$1,000 of Specified Amount for an Insured Child. If the Specified Amount for an Insured Child has been increased, a monthly expense charge per \$1,000 will be assessed on the amount of the increase. We may use current charges that are lower than the guaranteed charges.

**Termination of Insured Child's Coverage** - The coverage of an Insured Child under this rider will terminate:

- (a) on the anniversary of this policy which is nearest to the Insured Child's 23rd birthday; or
- (b) upon termination of this rider.

**Termination of Rider** - This rider will terminate upon:

- (a) lapse of this policy;
- (b) surrender of this policy;
- (c) the maturity date of this policy; or
- (d) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:

- (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
- (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive, flowing style.

President and Chief Executive Officer

# Rider - Supplemental Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of the Policy and this rider, to provide this Term Insurance Benefit. We also agree to provide all of the other benefits which are stated in this rider. This rider is a part of the Policy to which it is attached. It is subject to all of the provisions of the Policy unless stated otherwise in this rider.

**Term Insurance Benefit** - The amount of the Term Insurance Benefit provided under this rider is shown on Page 3.

There are no cash values or loan values associated with this rider.

**Basic Death Benefit** - The Basic Death Benefit of the Policy to which this rider is attached is modified to include the Term Insurance Benefit under this rider as follows:

- (a) If the policy has a **Level Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (1) the Specified Amount of the Policy plus the Term Insurance Benefit; or
  - (2) the Policy Value multiplied by an attained age factor shown in the Table of Death Benefit Factors.
- (b) If the policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Basic Death Benefit will be equal to the greater of:
  - (1) the Specified Amount of the Policy plus the Term Insurance Benefit plus the Policy Value; or
  - (2) the Policy Value multiplied by an attained age factor shown in the Table of Death Benefit Factors.

**Suicide Exclusion** - If the Insured dies by suicide, while sane or insane, within two years from the effective date of this rider, the Term Insurance Benefit will be limited to the Monthly Deductions associated with such benefit.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in the Term Insurance Benefit, the Term Insurance Benefit with respect to that increase will be limited to the Monthly Deductions for that increase.

If the Insured dies by suicide, while sane or insane, within two years from the effective date of any reinstatement, the Term Insurance Benefit will be limited to the Monthly Deductions associated with such benefit since the date of reinstatement.

**Change in Amount of Coverage** - The Term Insurance Benefit may be changed subject to the following conditions:

- (a) Any change in coverage must be at least the minimum amount as shown on Page 3;
- (b) Any request for an increase must be applied for on a written application that we have provided. Evidence of insurability satisfactory to us must be provided;
- (c) Any decrease will successively decrease, in reverse order, the most recent increases, if any.

**Monthly Deductions** - While this rider is in force, the Monthly Deduction under the Policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of:

- (a) the monthly expense charge per \$1,000 of the original Term Insurance Benefit;

- (b) the monthly expense charge per \$1,000 of any increases in the Term Insurance Benefit; and,
- (c) the Cost of Insurance for the Term Insurance Benefit under this rider.

We will determine the monthly expense per \$1,000 charges for this rider based on expectations as to future mortality, investment, expense, and persistency experience. We will not adjust such charges as a means of recovering prior losses or as a means of distributing prior profits. The rates will not exceed the maximum expense charges as shown on the Page 3.

**Cost of Insurance** - The Cost of Insurance for the Policy is will take into account the Term Insurance Benefit. The Cost of Insurance is determined separately for the initial Specified Amount and Term Insurance Benefit and for any increases. The total Cost of Insurance for a policy month is calculated as the sum of (a) plus (b) where:

- (a) is the Cost of Insurance for the initial coverage and additional coverages; and
- (b) is the Cost of Insurance for the Term Insurance Benefit under this rider.

The Cost of Insurance for a policy month for the initial and additional coverages under this Policy is equal to (c) multiplied by (d) where:

- (c) is the applicable Cost of Insurance Rate for the Policy divided by 1,000; and
- (d) is the Net Amount at Risk attributed to the initial and additional coverage.

The Cost of Insurance for a policy month for the Term Insurance Benefit under this rider is equal to (e) multiplied by (f) where:

- (e) is the applicable Cost of Insurance Rate for the Term Insurance Benefit divided by 1,000; and
- (f) is the Net Amount at Risk attributed to the Term Insurance Benefit.

If the policy has a **Level Death Benefit Option**, as shown on Page 3, the Net Amount at Risk attributed to the initial coverage is calculated as (g) minus (h) where:

- (g) is the Specified Amount divided by the Death Benefit Discount Factor; and
- (h) is the Policy Value allocated to the Specified Amount at the beginning of the policy month before the Monthly Deduction is due.

If the policy has an **Increasing Death Benefit Option**, as shown on Page 3, the Net Amount at Risk attributed to the initial coverage is calculated as (i) minus (j) where:

- (i) is the Specified Amount plus the Policy Value divided by the Death Benefit Discount Factor; and
- (j) is the Policy Value allocated to the Specified Amount at the beginning of the policy month before the Monthly Deduction is due.

The Net Amount at Risk attributed to the Term Insurance Benefit is calculated as (k) minus (l) where:

- (k) is the Term Insurance Benefit divided by the Death Benefit Discount Factor; and
- (l) is the Policy Value allocated to the Term Insurance Benefit at the beginning of the policy month before the Monthly Deduction is due.



For purposes of determining the allocation of Net Amount at Risk between the Specified Amount and the Term Insurance Benefit, the Policy Value will be allocated as follows:

- (i) first to the initial Specified Amount coverage,
- (ii) then to any coverages resulting from increases in the Specified Amount in the order of the increases,
- (iii) then to the initial Term Insurance Benefit coverage, and
- (iv) then to any coverages resulting from increases in the Term Insurance Benefit in the order of the increases.

Any increases in the Basic Death Benefit in order to maintain the required minimum margin between the Basic Death Benefit and the Policy Value will be allocated to the most recent increase in Specified Amount.

**Cost of Insurance Rate** - The Cost of Insurance Rate for the initial Term Insurance Benefit is based on policy year and on the attained age, sex, and rate class of the Insured. The Cost of Insurance Rate for any coverage resulting from an increase in the Term Insurance Benefit will be based on the policy duration since the effective date of the increase. It will also be based on the attained age, sex, and rate class of the Insured on the effective date of the increase. We will determine current monthly Cost of Insurance Rates based on expectations as to future mortality, investment, expense, and persistency experience. However, these rates will not exceed those shown for this rider in the Additional Policy Specifications.

**Surrender Charge** - The Surrender Charge for the Policy to which this rider is attached is modified for the Term Insurance Benefit under this rider. The Maximum Surrender Charge Premium as shown on Page 3 will be based on the Term Insurance Benefit in addition to the initial Specified Amount. The per thousand factor as shown on Page 3 will be applied to the sum of the initial Specified Amount plus the initial Term Insurance Benefit.

For an equal increase in the Term Insurance Benefit and Specified Amount of the Policy, the Surrender Charge for the increase is modified to account for the increase in the Term Insurance Benefit. The maximum surrender charge premium will be based the Term Insurance Benefit in addition to the Specified Amount of the Policy. The per thousand factor as shown on Page 3 will be applied to the amount of the increase in the Specified Amount of the Policy plus the increase in the Term Insurance Benefit.

The surrender charge for each increase in the Term Insurance Benefit without an equal increase in Specified Amount in the Policy is based on the amount of the increase and on the attained age of the Insured at the time of the increase. The surrender charge for each increase in the Term Insurance Benefit is determined by multiplying (a) times (b), where:

- (a) is the appropriate surrender factor from the Table of Surrender Factors determined from the effective date of the increase; and
- (b) is 90% of the lesser of:
  - (i) the total premium paid with the increase during the 12 months after the date of the increase;
  - (ii) the Maximum Surrender Charge Premium as determined at the effective date of the increase based on the attained age, sex, and rate class of the Insured; and
  - (iii) the per thousand of the increase amount premium shown on Page 3.

A surrender charge will be deducted from the Policy Value upon a decrease in the Term Insurance Benefit in the first five policy years. The charge is based on a proportional amount of the decreased amount of the coverage decreased. There will be a reduction in the remaining surrender charge in the amount of the charge deducted from the Policy Value on the effective date of the decrease.

**Policy Value Enhancement** – After the policy reaches the date as shown on Page 3, a monthly Policy Value Enhancement will be paid on subsequent monthly anniversaries. This is on top of any enhancement in the Policy. The Enhancement is guaranteed at the rate shown on Page 3 multiplied by (a) divided by (b), where:

- (a) is the Term Insurance Benefit, and
- (b) is the sum of the Term Insurance Benefit and the Specified Amount.

The Enhancement is based on Net Policy Value. Any enhancements will be applied on a pro-rata basis in proportion to the current net value of each account.

**Misstatement of Age or Sex** - If the age or the sex of the Insured has been misstated, the Term Insurance Benefit will be the amount that would have been provided by the most recent Cost of Insurance charge at the correct age and sex. No adjustment in the Policy Value will be made.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from the Effective Date, except for fraud in the procurement of the rider, when permitted by applicable law. Any increase in the Term Insurance Benefit will be incontestable with respect to statements made in the evidence of insurability for that increase after the increase has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

This rider will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement, except for fraud in the procurement of the reinstatement, when permitted by applicable law.

**Termination of Rider** - This rider will terminate upon:

- (a) the Termination Date for this rider shown on Page 3; or
- (b) lapse of this Policy; or
- (c) surrender of this Policy; or
- (d) the maturity date of this Policy; or
- (e) the date of death of the Insured; or
- (f) the Monthly Anniversary which coincides with or next follows our receipt of a written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell". The signature is enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider - Additional Insured Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Additional Insured Term Insurance Benefit. We also agree to provide all of the other benefits which are stated in this rider.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Additional Insured Term Insurance Benefit** - We will pay, upon receipt of due proof of the death of an Additional Insured while this rider is in force, the Additional Insured Term Insurance Benefit. The amount of the Term Insurance Benefit for an Additional Insured is the Specified Amount for such Additional Insured as shown on Page 3.

The Term Insurance Benefit payable upon the death of an Additional Insured will be paid to the beneficiary of such benefit in one sum or, if elected, under an income payment option. If part or all of the benefit is paid in one sum, we will pay interest on this sum from the date of death to the date of payment. We will determine the interest rate each year, but it will not be less than the Guaranteed Minimum Interest Rate used in the base policy per year compounded annually, or such higher rate as may be required by state law.

**Suicide Exclusion** - If an Additional Insured dies by suicide, while sane or insane, within two years from the effective date of that Additional Insured's coverage under this rider, the term insurance benefit with respect to such death will be limited to the cost of such benefit.

If an Additional Insured dies by suicide, while sane or insane, within two years from the effective date of any increase in that Additional Insured's Specified Amount, the term insurance benefit with respect to that increase will be limited to the cost for that increase.

If the Additional Insured dies by suicide, while sane or insane, within two years from the effective date of any reinstatement, the term insurance benefit will be limited to the cost associated with such benefit since the date of reinstatement.

**Beneficiary** - The beneficiary of the Term Insurance Benefit for an Additional Insured is as stated in the application for that Additional Insured's coverage under this rider unless changed by a subsequent beneficiary designation. If no other provision is made, the interest of a beneficiary of an Additional Insured's Term Insurance Benefit who dies before that Additional Insured will pass to you.

**Right to Convert Term Insurance** - The term insurance under this rider for an Additional Insured may be converted to a life or endowment policy without evidence of insurability at any time while such insurance is in force. You must make a written request for the conversion. On or before the date of conversion, you must pay the first premium for the new policy.

The new policy will be:

- (a) on a plan which insures only the life of the Additional Insured;
- (b) in the same rate class and subject to the same limitations of risk as the term insurance on the Additional Insured under this rider;
- (c) issued at the age of the Additional Insured on the birthday which is nearest to the date of the conversion;
- (d) on the policy form and at the premium rates in use on the date of the conversion; and

- (e) subject to our rules as to minimum amount, plan of insurance and age at issue which are in effect on the date of conversion.

The inclusion of any supplemental agreements and riders in the new policy will be subject to our consent and must comply with our rules.

**Death of Insured** - If the death of the Insured under this policy occurs while this rider is in force, the term insurance on each Additional Insured covered by this rider will continue for a period of 90 days beginning on the date of death of the Insured. This term insurance may be converted during the 90 day period. At the end of the 90 day period all term insurance under this rider will terminate.

**Change in Specified Amount**—The Specified Amount for an Additional Insured may be changed subject to the following conditions:

- (1) Any change in the Specified Amount must be at least the minimum amount as shown on Page 3.
- (2) Any increase in the Specified Amount must be applied for on a written application. Evidence of insurability satisfactory to us must be submitted on such Additional Insured.
- (3) The Specified Amount may not be decreased to less than the Minimum Specified Amount as shown on Page 3.
- (4) The Specified Amount for an Additional Insured may not be increased to more than the Specified Amount on the Insured under this policy.
- (5) Any decrease in the Specified Amount will successively decrease in reverse order the most recent increases, if any, in the Specified Amount for that Additional Insured.

**Monthly Deduction** - While this rider is in force, the Monthly Deduction under this policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of the following:

- (a) the Cost of Insurance for the policy month for the Term Insurance Benefit under this rider;
- (b) if the Term Insurance Benefit under this rider for an Additional Insured is in its first year, a monthly expense charge as shown on Page 3 for each \$1,000 of Specified Amount for that Additional Insured; and
- (c) if the Specified Amount for an Additional Insured has been increased within the past year, a monthly expense charge as shown on Page 3 for each \$1,000 that the Specified Amount has been increased.

**Cost of Insurance** - The Cost of Insurance for the Term Insurance Benefit under this rider is determined separately on a monthly basis for each Additional Insured. This Cost of Insurance is determined separately for each increase in the Term Insurance Benefit for an Additional Insured. The Cost of Insurance for each Additional Insured for a policy month is calculated as (a) multiplied by (b), where:

- (a) is the Cost of Insurance rate for an Additional Insured; and
- (b) is the Specified Amount for such Additional Insured.

The Cost of Insurance Rate is based on policy year and on the issue age, sex and rate class of that Additional Insured. The Cost of Insurance Rates for any increase in the Term Insurance Benefit will be based on the policy duration since the effective date of the increase. It will also be based on the attained age, sex, and rate class of the Additional Insured on the effective date of the increase. We will determine Cost of Insurance Rates based on expectations as to future experience, investment, expense and persistency experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

We will not adjust Cost of Insurance Rates as a means of recovering prior losses nor as a means of distributing prior profits.

If this policy includes a Disability Waiver of Monthly Deductions Benefit, the Cost of Insurance for each policy month for such benefit is increased by (a) multiplied by (b) for each Additional Insured, where:

- (a) is the Cost of Insurance Rate for the Waiver of Monthly Deductions for this rider; and
- (b) is the Specified Amount for the Additional Insured.

For each Additional Insured the Cost of Insurance Rate for the Waiver of the Monthly Deductions for this rider is based on the attained age, sex and rate class of both the Insured and the Additional Insured. We will determine Cost of Insurance Rates based on expectations of future experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

**Computation of Values** - All values and benefits in this rider are equal to or greater than those required by the law of the jurisdiction in which this policy is delivered.

**Attained Age** - The attained age of an Additional Insured under this rider is the age nearest birthday of that Additional Insured on the most recent policy anniversary.

**Misstatement of Age or Sex** - If the age or sex of an Additional Insured has been misstated, the Term Insurance Benefit for that Additional Insured will be the amount which would have been provided by the most recent Cost of Insurance charge at the correct age and sex.

**Incontestability** - An Additional Insured's coverage under this rider will be incontestable after it has been in force during the life of such Additional Insured for two years from the effective date of such coverage, except for fraud in the procurement of the rider, when permitted by applicable law. Any increase in the Term Insurance Benefit for an Additional Insured will be incontestable after the increase has been in force during the life of such Additional Insured for two years from its effective date, except for fraud in the procurement of the increase, when permitted by applicable law.

This rider will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of an Additional Insured for two years from the effective date of the reinstatement, except for fraud in the reinstatement of the rider, when permitted by applicable law.

**Termination of Additional Insured's Coverage** - The coverage of an Additional Insured under this rider will terminate:

- (a) on the anniversary of this policy which is nearest to the Additional Insured's 80th birthday;
- (b) on the date of the conversion of the term insurance on such Additional Insured;
- (c) 90 days after the death of the Insured; or
- (d) upon the termination of this rider.

**Termination of Rider** - This rider will terminate upon:

- (a) lapse of this policy;
- (b) surrender of this policy;
- (c) the date of the death of the Insured, provided that such termination will not affect any benefit provided by this rider during the 90 days following the death of the Insured;
- (d) the date on which there is no longer any Additional Insured covered under this rider; or
- (e) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive, flowing style.

President and Chief Executive Officer

# Rider - Guaranteed Increase Option

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Guaranteed Increase Option described below. We also agree to provide all of the other benefits stated in this rider.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Guaranteed Increase Option** - You will have the option to increase the Specified Amount under this policy without evidence of insurability. The option may be exercised, while this rider is in force, as of any of the Regular Option Dates or as of any Alternate Option Date. The Regular Option Dates are the anniversaries of this policy on which the Insured's age nearest birthday is equal to one of the ages shown on Page 3. An Alternate Option Date will be the 90th day following the date on which one of these events occurs:

- (1) The marriage of the Insured.
- (2) The live birth of a child of the Insured.
- (3) The legal adoption by the Insured of a child who is less than 18 years of age.

In the case of a multiple birth or multiple adoption, you will have the option to increase the Specified Amount by the Option Amount shown on page 3 for each child, and the increase will only affect the next Regular Option Date. Any excess increase will not affect future Option Amounts.

There are no cash values or loan values associated with this rider.

**Option Amount** - The amount that the Specified Amount may be increased by each exercise of this option will, except as stated below, be the Option Amount shown on Page 3.

The Option Amount is subject to reduction as follows:

- (1) If this option is exercised as of an Alternate Option Date, the Option Amount on the next Regular Option Date will be reduced by the amount that the Specified Amount is increased by exercise of this option as of such Alternate Option Date.
- (2) If the amount that the Specified Amount is increased by exercise of this option as of an Alternate Option Date is in excess of the Option Amount on the next Regular Option Date, the excess will be used to reduce the Option Amount on succeeding Regular Option Dates, unless the excess increase was due to a multiple birth or multiple adoption.
- (3) If the total of the Option Amounts on all of the remaining Regular Option Dates is less than the Option Amount shown on Page 3, the Option Amount available as of any Alternate Option Date will be reduced to such total.

If this option is exercised on more than one of the Alternate Option Dates which arise from multiple birth or multiple adoption, all such exercises will, for the purpose of reducing the Option Amounts on future Regular Option Dates, be considered as the exercise of this option one time for the Option Amount.

**Conditions for Exercise of Option** - Each exercise of this option will be subject to the following conditions:

- (1) A written application for the increase in the Specified Amount must be made on or before the date as of which this option is exercised.



- (2) If you are not the Insured, the written consent of the Insured must be obtained.
- (3) If this option is exercised as of an Alternate Option Date, proof of the event which gave rise to such date must be submitted.

If the Specified Amount is increased more than once for a multiple birth or adoption, all such exercises will be considered as a onetime exercise for purposes of reducing any Regular Option Date or Option Amount.

The increase in the Specified Amount which results from the exercise of this option will be subject to any limitations of risk which are in this policy. The rate class of the Insured at issue of this rider will apply to the increase. The effective date of the increase will be the date as of which the option is exercised.

If the insured dies before the exercise of this option, the increase in the Specified Amount which has been applied for will not take effect.

If this policy includes a Disability Waiver of Monthly Deductions benefit, such benefit will apply to the increase in the Specified Amount.

If this policy includes an Accidental Death benefit, such benefit may also be increased upon exercise of this option. The amount by which such benefit may be increased cannot exceed the lesser of:

- (a) the amount that the Specified Amount is being increased by exercise of this option; and
- (b) the amount of the Accidental Death Benefit in this policy immediately prior to the exercise of this option.

In addition, the total amount of Accidental Death Benefit in force on the Insured with us must not exceed our then current limits.

With respect to the increase in the Specified Amount resulting from the exercise of this option, the period stated in the Suicide Exclusion provision and the period of contestability will be computed from the effective date of this rider.

**Automatic Term Insurance** - Each event which gives rise to an Alternate Option Date will also give rise to a Term Period. Term insurance will be provided on the Insured's life during the Term Period. The amount of term insurance will be equal to the maximum amount of new insurance which could be obtained by exercise of this option as of the Alternate Option Date. If the Insured dies during the Term Period, the amount of term insurance will be included in the Death Benefit of this policy and will be paid as part of that Death Benefit.

A Term Period will begin on the date of the event which gives rise to an Alternate Option Date. A Term Period will end on the day preceding the Alternate Option Date which results from such event.

**Existing Disability** - If each of the following conditions is met, we will automatically increase the Specified Amount:

- (1) This policy must include a Disability Waiver of Monthly Deductions Benefit;
- (2) The Insured must be totally disabled on a Regular Option Date or on an Alternate Option Date;
- (3) Monthly Deductions under this policy must be waived as the result of such disability; and
- (4) The option available as of such date has not been exercised.

The increase in the Specified Amount will be effective as of the Regular Option Date or as of the Alternate Option Date. The increase will be for the largest amount of insurance which could be obtained by exercise of this option as of such date. The Monthly Deductions under this policy will be waived as described in the Disability Waiver of Monthly Deductions Rider.

**Cost of Insurance**—The Cost of Insurance for the Guaranteed Increase Option benefit is determined on a monthly basis. The Cost of Insurance for a policy month is calculated as (a) multiplied by (b), where:

- (a) is the Cost of Insurance Rate for this benefit; and
- (b) is the Option Amount shown on Page 3.

The Cost of Insurance Rate for this benefit is based on the issue age, sex and rate class of the Insured. We will determine Cost of Insurance Rates based on expectations as to future experience. However, these rates will not exceed those shown in the Additional Policy Specifications.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the rider, when permitted by applicable law.

This rider will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement, except for fraud in the procurement of the reinstatement, when permitted by applicable law.

**Termination** - This rider will terminate upon:

- (a) the anniversary of this policy which is nearest to the last Regular Option Date shown on Page 3;
- (b) any date after which there is no remaining Option Amount available as of a Regular Option Date;
- (c) lapse of this policy;
- (d) the date of the death of the Insured;
- (e) surrender of this policy;
- (f) expiry of this policy; or
- (g) the Monthly Anniversary that coincides with or next follows the receipt at the Home Office of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box.

President and Chief Executive Officer

# Rider - Return of Premium Term Insurance

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

We agree, subject to the provisions of this rider, to provide the Term Insurance Benefit. We also agree to provide all of the other benefits which are stated in this rider. This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Return of Premium Term Insurance Benefit** - We will pay the Term Insurance Benefit upon receipt of due proof of the death of the Insured while this rider is in force. The amount of the Term Insurance Benefit is the sum of all premiums paid into the policy up to the most recent monthly anniversary less any amounts we have paid into the policy or credited to the policy while the Insured is disabled under a Waiver of Stipulated Premium or a Waiver of Monthly Deductions Rider.

The Term Insurance Benefit will be paid on the death of the Insured to the beneficiary in one sum or, if elected, under an income payment option. If part or all of the benefit is paid in one sum, we will pay interest on this sum from the date of death to the date of payment. We will determine the interest rate each year, but it will not be less than the Guaranteed Minimum Interest Rate used in the base policy per year compounded annually, or such higher rate as may be required by state law.

**Monthly Deduction** - While this rider is in force, the Monthly Deduction under this policy will include the Monthly Deduction for this rider. The Monthly Deduction for this rider is the sum of:

- (a) the Cost of Insurance for the policy month for the Term Insurance under this rider; and
- (b) the Cost of Insurance for the policy month for Waiver of Monthly Deductions for this rider if a Waiver of Stipulated Premium or Waiver of Monthly Deductions Rider is attached to this policy.

**Cost of Insurance** - The Cost of Insurance for the Term Insurance under this rider is determined on a monthly basis. It is calculated as (a) multiplied by (b) where:

- (a) is the Cost of Insurance Rate divided by \$1,000 for the Term Insurance applicable to this policy, and
- (b) is the amount of Term Insurance under this rider.

The Cost of Insurance Rate for the Term Insurance is based on the attained age, sex and rate class of the Insured. We will determine Cost of Insurance Rates based on expectations as to future mortality, investment, expense, and persistency experience. However, these rates will not exceed those shown for this rider in the Additional Policy Specifications. We will not adjust Cost of Insurance Rates as a means of recovering prior losses nor as a means of distributing prior profits.

**Computation of Values** - All values and benefits in this rider are equal to or greater than those required by the law of the jurisdiction in which this policy is delivered.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from its effective date, except for fraud in the procurement of the rider, when permitted by applicable law.

This rider will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement, except for fraud in the procurement of the reinstatement, when permitted by applicable law.

**Termination of Rider** - This rider will terminate upon:

- (a) the original maturity date of the base policy;
- (b) lapse of this policy;
- (c) surrender of this policy;
- (d) the Monthly Anniversary which coincides with or next follows our receipt of your written request to terminate this rider.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive, flowing style.

President and Chief Executive Officer

# Rider - Accelerated Death Benefit for Terminal Condition

In this Rider, "We", "Us", or "Our" means The Penn Mutual Life Insurance Company; "You" and "Your" means the Owner of the Policy; and "Insured" means the person whose life is covered under the Policy.

**Disclosure - Upon your request, we will provide prepayment to you a portion of the death benefit based on a noncorrectable terminal condition resulting in the Insured's life expectancy to be 12 months or less. Exercising this benefit could be a taxable event so assistance and advice should be obtained from a personal tax advisor prior to receipt of any prepayments. Accelerated death benefits may also adversely affect the recipient's eligibility for Medicaid and other government provided benefits. Death benefits, cash values and loan values will be reduced if an accelerated death benefit is paid.**

We agree, subject to the provisions of this rider, to provide prepayment of a portion of the death benefit based on a noncorrectable terminal condition resulting in the Insured's remaining life expectancy to be twelve months or less.

This rider is a part of the policy to which it is attached. It is subject to all of the provisions of the policy unless stated otherwise in this rider.

**Free Look Period -** You may return payment to our Home Office within 10 days of receipt of payment. We will then void the prepayment of that portion of the death benefit. If you exercise this option and return any prepayment you may not exercise this benefit again at a later date.

**Benefit Payment -** The accelerated death benefit is paid to you while the Insured is living, unless you have otherwise assigned or designated the benefit. If the Insured dies before accelerated benefits are paid, no payment will be made under this rider. However, this provision will not apply to any payment we made before receiving written notice of the Insured's death at our Home Office. Prior to the benefit payment, we will provide you with a Benefit Payment Notice which will include the amount of benefit payment, the dollar amounts of the remaining death benefit and any accumulation values.

**Premium -** There is no premium for this benefit.

**Values -** This rider has no cash values or loan values.

**Eligibility -** In order to receive any benefits under this rider, all the following conditions must be satisfied:

1. This rider is only available for coverage on the life of the Insured.
2. Your request for benefits under this rider must be received in a written form at our Home Office.
3. We must receive sufficient evidence that the Insured has a noncorrectable terminal condition. This includes but is not limited to certification from a physician licensed in the United States. This noncorrectable terminal condition must result in the Insured's having a remaining life expectancy of twelve months or less. The licensed physician shall not be the Insured, Owner, Beneficiary, or a relative thereof. (In addition to the definition of kinship in the base policy, a relative is defined as an aunt, uncle, cousin, parent, step-parent, or grandparent.) We reserve the right to obtain additional medical opinions provided at our expense. In the case of conflicting opinions, eligibility for benefits shall be determined by a third medical opinion that is provided by a physician that is mutually acceptable to you and us.
4. This rider is attached only to the base policy (excluding any additional riders except for the Supplemental Term Insurance Rider).
5. The policy to which this rider is attached must not be in its premium grace period.
6. We must receive signed acknowledgment of concurrence of payments from all assignees and irrevocable beneficiaries.

7. This benefit is not available if:
- (a) Law requires this benefit to meet the claims of creditors, whether in bankruptcy or otherwise, or
  - (b) A government agency requires this benefit in order to apply for, obtain, or keep a government benefit or entitlement.

Payment of the accelerated death benefit is due immediately upon our receipt of the due written proof of eligibility.

**Requested Percentage** - The Requested Percentage is the percentage of Eligible Specified Amount that is to be accelerated. The unadjusted payment is the Requested Percentage multiplied by the Eligible Specified Amount. We reserve the right to limit the unadjusted payment and the accelerated benefit such that:

- 1. The Requested Percentage does not exceed 50%;
- 2. The Accelerated Benefit Payment does not exceed \$250,000;
- 3. The Accelerated Benefit Payment is at least \$10,000; and
- 4. The policy is not disqualified as life insurance according to Internal Revenue Code.

**Eligible Specified Amount** - Does not include all coverages, but is restricted to the base policy Specified Amount (excluding any additional riders except for the Supplemental Term Insurance Rider).

**Accelerated Benefit Payment** - This is the actual benefit amount that you will receive under this rider if eligible. We will pay the Accelerated Benefit Payment in a lump sum only once per policy. The Accelerated Benefit Payment is equal to the unadjusted payment less the following adjustments as of the benefit payment date:

- 1. Premiums and policy charges that would have been due during the twelve month period following the benefit payment date for the coverage corresponding to this unadjusted payment;
- 2. A twelve month interest rate discount using a rate that is no greater than the greater of the current yield on the ninety-day treasury bill or the current maximum statutory adjustable policy loan interest rate; and
- 3. A reduction in the unadjusted payment for policy loans by an amount equal to the Requested Percentage times the loan amount.

**Effect on Policy Values** - The policy will be subject to pro-rata reductions based on the Requested Percentage used to produce the Accelerated Benefit Payment. These pro rata reductions will be made to the death benefit, policy value, loan amounts, and any other policy charges.

**Reinstatement** - This Rider may be reinstated within five years after lapse under the same terms as described in the Policy. A reinstatement is subject to:

- (a) the submission of evidence of insurability satisfactory to us;
- (b) the payment or reinstatement of any Policy Debt which existed at the end of the grace period; and
- (c) the payment of a premium sufficient to cover the lesser of:
  - (i) the amount necessary to meet the No-Lapse Guarantee Requirement at the date of reinstatement and for two policy months following the reinstatement date, or
  - (ii) an amount to make the Net Cash Surrender Value positive plus the monthly deductions for the two policy months following the reinstatement date.

**Incontestability** - This rider will be incontestable after it has been in force during the life of the Insured for two years from the Effective Date, except for fraud in the procurement of the rider, when permitted by applicable law.

This rider will be incontestable with respect to statements made in an application for reinstatement after it has been in force during the life of the Insured for two years from the effective date of the reinstatement, except for fraud in the procurement of the reinstatement, when permitted by applicable law.


**Termination of Rider** - This rider will terminate upon:

- (a) lapse of this Policy; or
- (b) surrender of this Policy; or
- (c) the maturity date of this Policy; or
- (d) the date of death of the Insured; or
- (e) the Monthly Anniversary which coincides with or next follows our receipt of a written request to terminate this rider.

Termination shall not prejudice the payment of benefits for any qualifying event that occurred while the rider was in force.

**Effective Date** - The effective date of this rider is the same as the Policy Date of the Policy to which it is attached unless another effective date is shown below.

The Penn Mutual Life Insurance Company

A handwritten signature in black ink, reading "Eileen C. McDonnell", is enclosed within a red rectangular box. The signature is written in a cursive, flowing style.

President and Chief Executive Officer